

**FBIS**

# DAILY REPORT

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*China*

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U.S.-USSR SUMMIT AGREED UPON 'IN PRINCIPLE'

OW300135 Beijing XINHUA in English 1857 GMT 29 Jun 85

[Text] Washington, June 29 (XINHUA) -- The White House has confirmed that U.S. President Ronald Reagan and Soviet leader Mikhail Gorbachev have agreed in principle to hold a summit meeting before the end of the year, but no definite plans have been made yet.

In response to a question by a UPI reporter concerning a WASHINGTON POST report today, White House Deputy Press Secretary Robert Sims said the two countries have not yet agreed on the time and place for such a meeting.

THE WASHINGTON POST report, dispatched from Moscow, quoted diplomatic sources there as saying that the Soviet Union and the United States had reached tentative agreement to hold a summit in Geneva in late November.

Sims noted that Gorbachev had ruled out any visit to the United Nations General Assembly in New York in September or to the United Nations' 40th anniversary in October. He said that Geneva was a possible site for the summit since it is the setting for the deadlocked arms control talks between the two countries.

Reagan invited Gorbachev to meet with him shortly after the latter came to power. Officials of the Reagan administration have made it clear that now it was the Soviet leader's turn to come to the United States after several visits in the past by former U.S. Presidents Richard Nixon and Gerald Ford.

BUSH MEETS U.S., SOVIET NEGOTIATORS IN GENEVA

OW300300 Beijing XINHUA in English 1837 GMT 29 Jun 85

[Text] Geneva, June 29 (XINHUA) -- U.S. Vice-President George Bush today met with U.S. and Soviet negotiators at the U.S.-Soviet arms talks being held in Geneva. Bush reaffirmed the U.S. commitment to reduce nuclear weapons and to arms control.

Bush, who arrived here from Brussels yesterday, addressed an international symposium on nuclear weapons and the threat of nuclear proliferation after the meeting. The United States has "a deep, abiding interest in deep cuts" in offensive nuclear weapons, he said. He renewed U.S. calls for international cooperation against terrorism.

Bush will fly to Frankfurt, Federal Germany, at President Ronald Reagan's request to be on hand for the expected arrival of the TWA hostages, who were headed for Damascus, Syria.

Bush had been scheduled to fly to Paris today, but he was going instead to Frankfurt and would proceed to Paris later. Before coming to Geneva, Bush had visited Rome, Bonn, The Hague and Brussels to seek support for the U.S. Strategic Defense Initiative (SDI) and coordinated efforts to combat international terrorism.

PRC REPRESENTATIVES TO ATTEND NUCLEAR CONVENTION

OW292045 Beijing XINHUA in English 1642 GMT 29 Jun 85

["Chinese Attend Nuclear Disarmament Convention" -- XINHUA headline]

[Text] Beijing, June 29 (XINHUA) -- Two representatives of the Chinese People's Association for Peace and Disarmament left here for Amsterdam today. They will attend the 4th European Nuclear Disarmament (END) Convention at the invitation of the organization.



ARMAND HAMMER, OFFICIALS DISCUSS JOINT VENTURES

Sign Coal Contract

OW292027 Beijing XINHUA in English 1438 GMT 29 Jun 85

[Text] Beijing, June 29 (XINHUA) -- Dr. Armand Hammer, chairman of the board of the Occidental Petroleum Corp., and his Chinese partner signed a contract with China here today on joint development of an open-cast coal mine with a designed annual capacity of more than 15 million tons. The project, 500 km from Beijing, will be opened July 1 this year.

The Pingshuo Antiabao open-cast coal mine, with estimated coal reserves of 500 million tons, is the largest joint venture of the coal industry in China ever undertaken between China and a foreign firm. It calls for a total investment of 650 million U.S. dollars.

The partners are the Pingshuo First Coal Company, which is owned jointly by the China National Coal Development Corporation and the China International Trust and Investment Corporation, and the Island Creek China Company, which is owned jointly by Occidental Petroleum Corp. and the Bank of China Trust and Consultancy Company.

Chinese Vice Premier Li Peng attended the signing ceremony and congratulated the partners on the successful negotiations on the project.

According to the contract, the term of cooperation is 30 years, and the two parties will operate as a contractual joint venture, sharing the products. During the period of contract negotiation, the Chinese side speeded up pre-production construction to ensure the early start of the Antaibao coal mine. Now, basic facilities and some living quarters have been completed. The project will be completed totally and put into operation in September 1987.

The Chinese and U.S. sides started negotiations on the project in 1980. Three years later, they completed feasibility studies.

Before the signing ceremony, Dr. Hammer told reporters that the contract to be signed would lead to good profits. He was sure that the mine would be a success.

The signing ceremony was followed by a grand reception in the Great Hall of the People hosted by the U.S. Occidental Petroleum Corporation and the Bank of China Trust and Consultancy Company. Among the present were Chinese leaders Wang Zhen and Li Peng. On July 1, Dr. Hammer and Chinese officials will go to the mine site for the opening ceremony.

Hu Yaobang, Hammer Meet

OW301044 Beijing XINHUA in English 1036 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Hu Yaobang, general secretary of the Chinese Communist Party Central Committee, said here today that China would put emphasis of joint-ventures on the development of raw materials. He said this while meeting Dr. Armand Hammer, chairman of the board of the American Occidental Petroleum Corporation.

Dr. Hammer is here to sign a contract with China on joint development of an open-cast coal mine in Shanxi, and to attend the opening ceremony of the mine tomorrow.

Hu Yaobang expressed his thanks to Hammer for the latter's contribution to China's modernization drive as he selected the development of coal as a cooperative project with China. Hu said that apart from jointly undertaking the development of coal, China and the United States could also cooperate in exploring natural gas.

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Hammer told Hu that the Occidental Petroleum Corporation also hoped to cooperate with China on the exploitation of oil in northwest China. Hu Yaobang agreed with him and said he expected more American friends to invest in China. After the meeting, Hu Yaobang gave a luncheon for the American friends.

Li Xiannian Praises Hammer

OW301132 Beijing XINHUA in English 1118 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Chinese President Li Xiannian today praised Dr. Armand Hammer, chairman of the Occidental Petroleum Corp., for his useful work in promoting economic relations between China and the United States. At a meeting in the Great Hall of the People here this afternoon, Li told Hammer: "The Chinese people will cherish your work."

Hammer said the successful negotiations between the Chinese and U.S. sides on the joint development of an open-cast coal mine in north China's Shanxi Province set a good example. Hammer said he believed that more and more foreign firms will come to China to invest in the development of coal mines, natural gas and non-ferrous metals programs. Many U.S. firms are following closely the progress of the open-cast coal mine project, he added.

Li said: "We all hope that our cooperative project will be a success."

Yesterday, Hammer and his Chinese partner signed a contract on the coal mine with a designed annual capacity of 15.33 million tons.

Deng Xiaoping on Coal Contract

OW301157 Beijing XINHUA in English 1134 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Deng Xiaoping said here today that the Sino-U.S. coal contract signed yesterday marked a good beginning for more economic cooperative projects between China and other countries.

Deng, chairman of the Central Advisory Commission of the Chinese Communist Party, said this at a meeting with Dr. Armand Hammer, chairman of the American Occidental Petroleum Corp. The contract is for the joint development of the Pingshuo Antaibao open-cast coal mine in Shanxi Province with a designed annual capacity of 15.33 million tons. Deng Xiaoping congratulated Hammer on the ground breaking ceremony of the mine scheduled tomorrow.

He said that China needed more large joint ventures like the Antaibao coal mine to change its economy. He thanked Hammer for his efforts to bring about this cooperative project, adding: "You have done a good job."

Hammer told Deng that what had been done was only the first-stage work and he would proceed to negotiate with the Chinese side on the second and third stages of work. In other words, he said, the annual capacity of the cooperative project would be raised to 45 or 50 million tons. They also discussed the development of China's offshore oil and oil in northwest China.

LI PENG HOLDS MEETING WITH ELLIOT RICHARDSON

OW282022 Beijing XINHUA in English 1832 GMT 28 Jun 85

[Text] Beijing, June 28 (XINHUA) -- Chinese Vice-Premier Li Peng met with Ambassador Elliot L. Richardson from the U.S., and his party here this evening. Ambassador Richardson and his party arrived here on June 19 for a friendly visit to China at the invitation of the Hua-Ning International Trade and Technology Corporation.

GORBACHEV REMARKS ON COOPERATION WITH PRC NOTED

OW281257 Beijing in Russian to the USSR 1800 GMT 27 Jun 85

[Text] Soviet leader Gorbachev, while making a speech at a Ukrainian metallurgical plant on 26 June, said that good-neighborly cooperation between the Soviet Union and China is very possible and desirable. He said: I have already had an opportunity to speak about relations with the PRC. I think that time has shown to both sides that none will gain from discord, and even less for from unfriendliness and suspicion. He said that the Soviet side intends to actively contribute to the complete overcoming of the negative phase in Soviet-Chinese relations which had produced many artificial over-layers.

SFRY PAPER ON YAO YILIN'S USSR VISIT 'OBSTACLES'

OW290805 Beijing in Vietnamese to Vietnam 1400 GMT 27 Jun 85

[Text] In its 27 June report on Chinese Vice Premier Yao Yilin's coming visit to the Soviet Union, the Yugoslav paper POLITIKA points out: Predictably, the Moscow visit by the Chinese vice premier will further accelerate trade, scientific, and technological exchanges between the two countries, and preserve their relations, which have been improved, thanks to the visit to China by Arkhipov, deputy chairman of the USSR Council of Ministers.

On the issue of three major obstacles in Soviet-Chinese relations, the same paper says: Seemingly, there is still not much possibility of the rapid removal of the three obstacles, because the Soviet side still does not have any positive reaction to China's proposal on gradual elimination of those obstacles.

GORBACHEV ASSURES LE DUAN OF SOVIET SUPPORT

OW290344 Beijing XINHUA in English 0159 GMT 29 Jun 85

[Text] Moscow, June 28 (XINHUA) -- Soviet leader Mikhail Gorbachev assured Vietnamese leader Le Duan here today that Vietnam, will continue to receive "reliable support" from the Soviet Union. Speaking at a Kremlin banquet for Duan, Gorbachev said that it remained the policy of the Soviet party and government to further "fraternal friendship and all-round cooperation" between the two countries.

Gorbachev repeated his recent proposal for an "All-Asia Forum" and acknowledged that the ideal does not have the support of all parties concerned. Duan, in turn, expressed his "heartfelt and profound thanks" for the Soviet support and aid, and his "firm support" for Soviet foreign policy.

On internal affairs, the Vietnamese leader admitted "difficulties and faults" in his country. While attacking by innuendo on China, Duan also expressed a willingness to "resume traditional ties of friendship" with it.

HU QIAOMU MEETS DPRK JOURNALIST DELEGATION

OW292030 Beijing XINHUA in English 1615 GMT 29 Jun 85

[Text] Beijing, June 29 (XINHUA) -- Hu Qiaomu, member of the Political Bureau of the Chinese Communist Party Central Committee, met and gave a dinner for a delegation from the NODONG SINMUN (LABOR DAILY), the organ of the Central Committee of the Korean Workers Party, here tonight.

Hu had a cordial conversation with the delegation, which is led by Choi Chil-nam, first deputy editor-in-chief of the newspaper.

Li Zhuang, editor-in-chief of China's PEOPLE'S DAILY, was present.

The delegation from the Democratic People's Republic of Korea arrived here June 18 at the invitation of the PEOPLE'S DAILY. During their stay in China, the Korean visitors have toured Hangzhou, Ningbo, Shanghai, Fuzhou and Xiamen in addition to Beijing. They are scheduled to return home soon.

SONG RENQIONG HOSTS VISITING DPRK DELEGATION

OW301807 Beijing XINHUA in English 1458 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Song Renqiong, member of the Political Bureau of the Chinese Communist Party Central Committee, met with a delegation from the Democratic People's Republic of Korea here this evening.

The delegation is led by Go Yong-sen, secretary of the North Pyongan Provincial Committee of the Workers Party of Korea.

After the meeting, Song gave a dinner in honor of the Korean guests.

DPRK HWANGHAE PARTY DELEGATION ARRIVES IN SHANDONG

SK290558 Jinan Shandong Provincial Service in Mandarin 2300 GMT 28 Jun 85

[Excerpts] At the invitation of Liang Buting, secretary of the Shandong Provincial CPC Committee, a delegation of the South Hwanghae Provincial Workers Party of Korea [WPK] arrived in Jinan on 28 June and was warmly welcomed by provincial and Jinan City responsible comrades. Accompanied by Jiang Guanghua, deputy head of the International Liaison Department, the delegation, headed by Paek Pom-su, responsible secretary of the provincial WPK Committee, arrived in Jinan from Beijing by train. Welcoming the delegation at the railway station were Jiang Chunyun, deputy secretary of the provincial CPC Committee and concurrently secretary of the Jinan City CPC Committee; Zheng Weimin, Standing Committee member of the provincial CPC Committee and director of the Propaganda Department of the provincial CPC Committee; and responsible persons of relevant departments.

As the Korean guests arrived at Nanjiao Guesthouse where they were to staying, Liang Buting, secretary of the provincial CPC Committee; Li Changan, deputy secretary of the provincial CPC Committee and governor of the provincial people's government; and Su Yiran, chairman of the provincial Advisory Commission, warmly met them at the gate of the guesthouse.

The delegation arrived in Beijing from Korea by international train.



## Establishes Friendly Ties

SK300459 Jinan Shandong Provincial Service in Mandarin 2300 GMT 29 Jun 85

[Text] On the morning of 29 June, our province and the South Hwanghae Province of Korea signed an agreement on establishing friendly ties in Jinan. Li Changan, deputy secretary of the Shandong Provincial CPC Committee and governor of the province, and Paek Pom-su, responsible secretary of the South Hwanghae Provincial Committee of Workers Party of Korea [WPK] and concurrently chairman of the People's Committee of the province, signed the agreement.

After the agreement-signing ceremony, Liang Buting, secretary of the Shandong Provincial CPC Committee, hosted a banquet in honor of the distinguished Korean guests. They proposed repeated toasts to extend congratulations to each other. Present at the ceremony and the banquet were all of the members of the delegation of the South Hwanghae Provincial WPK Committee led by Paek Pom-su; Liang Buting, secretary of the Shandong Provincial CPC Committee; Li Changan, deputy secretary of the provincial CPC Committee and governor of the province; Su Yiran, chairman of the provincial Advisory Commission; Jiang Chunyun, deputy secretary of the provincial CPC Committee and concurrently secretary of the Jinan City CPC Committee; Zheng Weimin, Standing Committee member of the provincial CPC Committee and director of its Propaganda Department; Ma Shizhong, vice governor of the province; and responsible persons of relevant provincial and Jinan City departments. Jiang Guanghua, deputy director of the International Liaison Department of the CPC Central Committee, who accompanied the delegation to the province, also attended the ceremony and the banquet.

The agreement points out: In order to further develop the friendly and cooperative relations between the peoples of the two countries, both sides agree to establish friendly ties between Shandong Province of the PRC and South Hwanghae Province of the DPRK. The agreement stipulates: In order to further promote socialist construction in the two countries and the two provinces, both sides will adopt various methods, including sending delegations, to carry out exchanges of various forms to learn from and introduce experiences to each other in political, economic, cultural, and other fields.

On the same afternoon, the delegation visited the Jinan embroidery plant and the Jinan knitwear plant. In the evening, the delegation and the responsible comrade of the International Liaison Department of the CPC Central Committee watched a literary and art performance at the Shandong Theater in the company of provincial and Jinan city leaders.

U.S PLANE INTRUDES INTO DPRK AIRSPACE 28 JUN

OW281643 Beijing XINHUA in English 1624 GMT 28 Jun 85

[Text] Pyongyang, June 28 (XINHUA) -- A U.S. reconnaissance plane intruded into Korean airspace over Kosong of Kangwon Province and flew straight to airspace over Sonbong County of North Hamgyong Province at about 13:00 p.m. today for reconnaissance, the KOREAN CENTRAL NEWS AGENCY reported today.

This was the 11th time in this month that the United States has carried out such reconnaissance in Korean airspace, the news agency said.

The report pointed out that this shows clearly that the United States is continuing to throw cold water on the North-South dialogue and aggravate the situation on the Korean peninsula



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WANG ZHEN, FANG YI MEET JAPANESE GROUP IN BEIJING

OW282024 Beijing XINHUA in English 1654 GMT 28 Jun 85

[Text] Beijing, June 28 (XINHUA) -- Chinese and Japanese representatives met from June 27 and 28 here to work out details for setting up a non-governmental committee for cooperation in science, technology and energy.

The decision to set up the committee was made at the earlier second session of the Sino-Japanese non-governmental personages meeting, which is an arrangement for promoting cooperation at the non-governmental level. The Chinese Committee of the meeting is headed by Wang Zhen. It has been agreed in principle that the projected committee on science, technology and energy will meet annually, with the time and location of the first committee session to be fixed as early as possible.

Wang Zhen met and feted Mukaibo Takashi, the Japanese representative at the current discussions, and his party. State Councillor Fang Yi also met them. The Japanese participants were also entertained at a luncheon given by Wang Zhaoguo, China's chief representative on the 21st Century Committee for China-Japan Friendship.

GROUP SEEKS JAPANESE INVESTMENT IN NORTHEAST CHINA

OW301204 Beijing XINHUA in English 1138 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- A delegation composed of senior officials from the Bank of China and China's three northeast provinces -- Liaoning, Jilin and Heilongjiang, left here today for Japan to attend a seminar on investment environment of northeast China. The seminar is sponsored by the government of Hokkaido and the Hokkaido Takushoku Bank Ltd., and will be held in Sapporo and Tokyo.

"With its fertile land and rich natural resources, northeast China is a major industrial base of China. It has great potential for development," Li Yumin, vice president of the Bank of China and head of the delegation, said before leaving. "Northeast China and Hokkaido has many similarities in geographical positions, climate and economic development. There is broad prospect for economic cooperation between the two sides," Li said.

Li also told XINHUA that during his stay in Japan, he would sign a 2-billion-U.S.-dollar-loan agreement on behalf of his bank with the Bank of Tokyo.

THAI GROUP CONTINUES PRC VISIT, MEETS OFFICIALS

## Li Peng, Chan Manutham Meet

OW292040 Beijing XINHUA in English 1619 GMT 29 Jun 85

[Text] Beijing, June 29 (XINHUA) -- Chinese Vice-Premier Li Peng met and had a cordial conversation with Chan Manutham, minister to the Thai Prime Minister's Office, and his party here today. Ai Zhisheng, Chinese minister of radio and television, was present.

## Wu Xueqian Hosts Banquet

OW291732 Beijing XINHUA in English 1631 GMT 29 Jun 85

["Thai Friendship Delegation Entertained in Beijing" -- XINHUA headline]

[Text] Beijing, June 29 (XINHUA) -- China is ready to make unremitting efforts for close cooperation with the Thai Government and people in realizing peace and stability in Southeast Asia. This was stated by State Councillor and Foreign Minister Wu Xueqian at a welcoming banquet here this evening for a Thai friendship delegation led by former Prime Minister Prince M.R. Khukrit Pramot, Foreign Minister Sitthi Sawetsila and Chatchai Chunhawan, former foreign minister and chairman of the Thailand-China Friendship Association.

Wu recalled that over the past ten years, the two countries had enjoyed very friendly and close relations of mutual benefit, cooperation and trust in politics, economy and culture. Sino-Thai relations had never been as vigorous and vital as today, he added.

Wu said the ten principles of the Bandung Conference, like the Five Principles of Peaceful Coexistence, were important norms guiding state-to-state relations. On the basis of these principles China and Thailand established good-neighbourly relations which could be called an good example. Wu said it was really a pity that these principles could not be respected and implemented by some countries. In Southeast Asia, he said, the Vietnamese authorities stubbornly clung to their military occupation of Kampuchea. They still had no sincere wish to withdraw their troops from Kampuchea, and had furthermore intruded into Thai territory, seriously threatening the security of Thailand and other Southeast Asian countries.

Wu Xueqian reaffirmed that the Chinese Government and people would resolutely support the Kampuchean people's struggle against Vietnamese aggressors under the leadership of the Coalition Government of the Democratic Kampuchea headed by Samdech Norodom Sihanouk and support the Thai Government's and people's just struggle to safeguard state sovereignty and security and oppose foreign aggression. Striving for peace and stability in Southeast Asia was an important component of maintaining world peace, he said. Referring to bilateral relations, Wu said the Chinese Government and people attached great importance to existing friendly ties between the two countries. No matter what changes take place in the world the Chinese people would be reliable friends of the Thai people, he added.

Sitthi said the two countries strictly abided by international law, the U.N. Charter and principles of equality, so that their relations had developed smoothly since entering a new phase in 1975. Despite differences of size, belief, ideals or ethnic makeup, countries would cooperate fruitfully in developing their mutual relations and creating common interests as long as they implemented their own foreign policies on the basis of the above-mentioned principles, he said. Sitthi said the Thai and Chinese Governments and peoples strongly aspired to maintain mutual good relations and understanding and safeguard regional peace.

It was a pity, he said, that some countries spared no efforts to expand their spheres of influence by invading or controlling others, thus threatening peace and stability in this region.

Sitthi said the Thai Government and people were satisfied that the Chinese Government and people, together with the overwhelming majority of countries in the international community, demanded that all aggressors totally withdraw in accordance with the U.N. decision and restore self-determination to the attacked people.

On the development of bilateral cooperation, Sitthi said the Thai Government and people were willing to positively develop relations and cooperation with China.

He expressed the hope that both countries would set their common interest above everything else, improve mutual cooperation and broaden bilateral economic relations in the next ten years.

Present were leading members of departments concerned Liu Shuqing, Han Nianlong, Xu Xin, Bai Jiefu, Lu Zhixian, Zhou Erfu and Thai Ambassador to China Orachun Tanaphong.

Khukrit, Sitthi and members of the delegation returned here this afternoon from a two-day visit to Tangshan. Chatchai and other members arrived here this afternoon.

#### Zhao Hails Thai Relations

OW300730 Beijing XINHUA in English 0716 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Chinese Premier Zhao Ziyang today hailed the tenth anniversary of the establishment of diplomatic relations between China and Thailand. In a message to Thai Prime Minister Prem Tinsulanon, Zhao said: "The establishment of diplomatic relations between our two countries has opened up a new era for the development of friendship and cooperation between our two peoples."

Over the past decade, Zhao said, the two governments, in strict adherence to the spirit of the communique on the establishment of diplomatic relations and the Five Principles of Peaceful Coexistence, have "treated each other with sincerity, lived in harmony and engaged in fruitful cooperation in both bilateral and international affairs."

He stressed that the strengthening of Sino-Thai relations is not only in the interests of the two peoples, but also conducive to the maintenance of peace and stability in Southeast Asia and Asia as a whole.

Zhao said he is convinced that with the concerted efforts of both countries, their second decade of diplomatic relations will witness an all-round expansion of Sino-Thai cooperation and further strengthening of the friendship between the two peoples.

#### Wu Xueqian, Sitthi On Cambodia

OW300905 Beijing XINHUA in English 0852 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Chinese and Thai Governments will continue to give all-round support to the patriotic forces of Kampuchea in their struggle against Vietnamese aggression. This was stated by Chinese State Councillor and Foreign Minister Wu Xueqian and his Thai counterpart Sitthi Sawetsila during their talks held here today.

It was learned that the two foreign ministers exchanged views on issues of common interest, especially the Kampuchea question and further development of Sino-Thai friendship and cooperation. They said that they had identical views on all issues they discussed.

they pointed out that although the Vietnamese troops occupied some camps of Democratic Kampuchea in their drought offensive, they failed in their attempt to eliminate the effective strength of the resistance forces who were now fighting in the interior of Kampuchea against Vietnamese aggressor troops. Judging from this point, they emphasized, Vietnam's drought offensive was nothing but a failure.

They called on all justice-upholding countries of the world to support the Coalition Government of Democratic Kampuchea and force Vietnam to withdraw all its troops from Kampuchea in accordance with the resolutions of the United Nations General Assembly and the international conference on the Kampuchea issue.

So long as the three patriotic forces of Democratic Kampuchea strengthen their unity and persist in armed struggle, the situation in the Kampuchean battlefield will definitely develop in the direction favorable to them, they said.

The two foreign ministers also expressed satisfaction over the development of bilateral relations since the two countries established diplomatic ties ten years ago. Both pledged to promote the friendly relation, particularly economic and technological cooperation.

#### Deng Yingchao Attends Fete

OW301104 Beijing XINHUA in English 1030 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- The 10th anniversary of the establishment of Sino-Thai diplomatic relations was celebrated here today at a reception sponsored by the Chinese People's Association for Friendship With Foreign Countries.

Attending the reception were Deng Yinchao, chairman of the Chinese People's Political Consultative Conference and honorary president of the association; Peng Chong, vice-chairman of the Standing Committee of China's National People's Congress; and a Thai Friendship delegation led by former Prime Minister Prince M.R. Khukrit Pramot, Foreign Minister Sitthi Sawetsila and Chatchai Chunhawan, former foreign minister and chairman of the Thailand-China Friendship Association.

Chu Tunan, vice-president of the Chinese People's Association for Friendship With Foreign Countries, and Chatchai Chunhawan proposed toasts at the reception. Both expressed the wish to further the friendship and cooperative relations between the peoples of the two countries.

Visiting Minister to the Thai Prime Minister's Office Chan Manutham, a Thai art troupe which is on a performing tour in Beijing and Thai Ambassador to China Orachun Tanaphong and Mrs Tanaphong also attended the reception. Chinese artists performed at the reception.

#### Zhao Meets Khukrit

OW301519 Beijing XINHUA in English 1506 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Chinese Premier Zhao Ziyang said here today that the good-neighborly relations between China and Thailand characterized by mutual trust and sincere cooperation set an example for expanding friendly cooperation between countries with different social systems on the basis of the Five Principles of Peaceful Coexistence.

He said this at a meeting with principal members of a Thai friendship delegation led by former Prime Minister Prince M.R. Khukrit Pramot, Foreign Minister Sitthi Sawetsila, and Chatchai Chunhawan, former foreign minister and chairman of the Thailand-China Friendship Association.



Zhao extended warm welcome to the Thai visitors who are here attending the celebrations of the 10th anniversary of the establishment of diplomatic ties between the two countries. He thanked them for their contributions to the growth of Sino-Thai friendship and cooperation.

Khukrit said he was satisfied with, glad and proud of such a sound development of Thai-Chinese relations of friendship in the past decade.

He said it was the sincerity of the two countries that had enabled their friendly relations to grow to the present level. He thanked the Chinese Government and people for their efforts to expand these relations.

Zhao spoke of the all-round, rapid growth of Sino-Thai relations. He said the two countries shared identical or similar views on many major international issues. They conducted friendly consultations and good cooperation in safeguarding the United Nations Charter and international norms, and in upholding principles and justice in international affairs, he added. Zhao said that understanding, friendship and mutual trust between China and Thailand have been increasing daily, and that it is China's established policy to continue to strengthen Sino-Thai friendship and cooperation.

Khukrit told Zhao that he was deeply impressed by the achievements scored in the past six years by Tangshan, a city damaged by a serious earthquake in 1976. Khukrit toured Tangshan during his current visit to China.

Before the meeting, Zhao had a group photo taken with the entire Thai delegation.

#### Li, Khukrit Discuss Friendship

OW301622 Beijing XINHUA in English 1605 GMT 30 Jun 85

[Text] Beijing, June 20 (XINHUA) -- Chinese President Li Xiannian met with a visiting Thai friendship delegation here today. The delegation is led by former Prime Minister Prince M. R. Khukrit Pramot, Foreign Minister Sitthi Sawetsila, and Chatchai Chanhawan, former foreign minister and chairman of the Thailand-China Friendship Association.

Li said Sino-Thai relations had become increasingly closer since the establishment of diplomatic ties ten years ago. He said he was confident of continued growth of the two countries' friendship and cooperation based on the Five Principles of Peaceful Coexistence.

Khukrit told Li that the Thai leaders were sincere in expanding friendship with China. Mutual trust between the two countries would ensure growth of their friendly relations, he added.

Chatchai briefed Li on the tasks of the Thailand-China Friendship Association. Sitthi said he hoped for increased bilateral trade, which would help expand the two countries' relations.

The Chinese president asked the Thai visitors to convey his regards and best wishes to the king, the queen and the prime minister of Thailand.

#### Sihanouk Fetes Thai Visitors

OW301654 Beijing XINHUA in English 1612 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Samdech Norodom Sihanouk, president of Democratic Kampuchea, and Madame Sihanouk met and gave a dinner here tonight for leaders and principal members of a friendship delegation from Thailand which is now on a visit to China. The delegation is led by former Thai Prime Minister M.R. Khukrit Pramot, Foreign Minister Sitthi Sawetsila, and Chatchai Chunhawan, former foreign minister and chairman of the Thailand-China Friendship Association.



## Deng Xiaoping Stresses Peace

OW011056 Beijing XINHUA in English 1040 GMT 1 Jul 85

["Deng Xiaoping on Peace and Development" -- XINHUA headline]

[Text] Beijing, July 1 (XINHUA) -- Deng Xiaoping said here today that China would try to strive for a peaceful international environment to develop itself and make good use of it even if only for 10 to 20 years.

The chairman of the Central Advisory Commission of the Chinese Communist Party said this at a meeting with major members of the Thai friendship delegation in the Great Hall of the People.

Deng Xiaoping said it was not easy to develop the country well, eliminate poverty and make people richer and the country stronger. The key was a peaceful environment, without which construction was impossible.

"It is our view that striving for an international environment in the world at present is possible, so we will make good use of the peaceful environment to develop our country even if only for 10 or 20 years.

"We hope for another 70 years of peaceful environment. Thus we can realize our objectives and gradually bring our country close to the level of the developed countries within 50 years of the next century," Deng said.

Prince M. R. Khukrit Pramot, former prime minister of Thailand and one of the leaders of the delegation, said: "I am very gratified to hear what you have said about peace and friendship."

"China's tremendous changes make us fresh and new. We, as your 'relatives', are particularly pleased to see your people's living standards raised," he added.

At the meeting, which proceeded in a cordial and friendly atmosphere, Deng also said that 10 years of Sino-Thai diplomatic relations had proved that both countries kept their word. "Our two countries have enjoyed very good relations and widening cooperation," he said.

Khukrit said China could be trusted in its international dealings. "We believe that our relations will further develop," he said.

Deng said China would never interfere in others' internal affairs. Its paramount task was to develop itself, he stressed.

The other two leaders of the delegation are Foreign Minister Sitthi Sawetsila and former Foreign Minister and Chairman of the Thailand-China Friendship Association Chatchai Chunhawan. Both Sitthi and Chatchai said they would promote Thailand-China friendship and cooperation, and economic relations and trade in particular. State Councillor and Foreign Minister Wu Xueqian attended the meeting which was followed by a reception hosted by State Councillor Ji Pengfei.

WE XUEQIAN ON GORBACHEV, LE DUAN SPEECHES

OW291937 Beijing XINHUA in English 1853 GMT 29 Jun 85

["Foreign Minister Speaks With Thai Journalists" -- XINHUA headline]

[Text] Beijing, June 29 (XINHUA) -- State Councillor and Foreign Minister Wu Xueqian gave an interview to visiting Thai journalists here this evening.

Asked to comment on the speeches by Mikhail Gorbachev and Le Duan of June 28 about improving relations between the Soviet Union and China and relations between Vietnam and China, Wu said it depended on their actions and on whether Vietnam would commit itself to total withdrawal of its troops from Kampuchea and act on that commitment. If there was no action, their talk was empty.

Asked about China's position on the Malaysian proposal of "proximity talks" on the settlement of the Kampuchean issue, Wu Xueqian replied that the ASEAN nations were discussing the proposal among themselves. He said ASEAN foreign ministers would decide early next month. At present China had not received the proposal.

"China's consistent stand on the settlement of the Kampuchean issue is that we support all proposals beneficial to promoting the withdrawal of Vietnamese troops from Kampuchea so as to realize self-determination by the Kampuchean people themselves," he said.

#### THAILAND'S PREM ON FRIENDLY TIES WITH PRC

OW281308 Beijing XINHUA in English 1302 GMT 28 Jun 85

[Text] Bangkok, June 28 (XINHUA) -- Thai Prime Minister Prem Tinsulanon declared here today that both Thailand and China are very satisfied with the swift development of friendly relations in various fields in the past decade.

He made this assessment in the government house when replying to questions by local correspondents on the eve of the tenth anniversary of the establishment of diplomatic relations between Thailand and China, which falls on July first.

"Such a good relationship may be found expression not only in political field but also in economic and other fields. Therefore, we must make more efforts to uphold Thai-Chinese normal relationship and promote it to a higher level," Prem added.

The prime minister predicted that there should be no problem in promoting Thai-Chinese cooperation because no obstacles existed.

#### Prem notes 'Cordial' Relations

OW300736 Beijing XINHUA in English 0711 GMT 30 Jun 85

[Text] Bangkok, June 30 (XINHUA) -- Thai Prime Minister Prem Tinsulanon said today that he was confident that the second decade of Sino-Thai resolutions will be a decade of further expansion of cooperation in various fields.

Prem stated this in a message of greetings on the occasion of the tenth anniversary of the establishment of diplomatic relations between Thailand and China which falls on July 1, this year.

He hailed the smooth and close relations between China and Thailand for the past decade saying that these relations have been based on "the fundamentally important basic principles of peaceful co-existence, non-interference in internal affairs of one another and respect of each other's sovereignty and territorial integrity."

In the course of developing their relations, Prem said, Thailand and China "demonstrated their adherence to the purpose and principles of the Charter of the United Nations as well as their determination to search for peace and stability especially in Southeast Asia."

"The warm and cordial relationship that is apparent today could not have been possible without the firm determination of both sides to reciprocate each other's goodwill with sincerity and understanding in a friendly spirit on the basis of their respective national interests."

The prime minister concluded his message by saying he was confident that "the relations between the Kingdom of Thailand and the People's Republic of China are assured to be everlasting in every way".

#### THAI SUPREME COURT PRESIDENT ON PRC VISIT

OW292134 Beijing XINHUA in English 1513 GMT 29 Jun 85

[Text] Bangkok, June 29 (XINHUA) -- Thai Supreme Court President Phinyo Thiruniti has spoken highly of China's law of civil procedures and said it is worth assimilating to increase his country's judicial efficiency, according to a local press report today.

Phinyo, who returned here recently from his China visit, said that with the participation of respectable and experienced civilians in the initial hearing of civil cases, the court proceedings had been simplified in China to good effect.

Thailand should assimilate this method so as to reduce the number of cases transferred from initial courts to intermediate courts, he said. Most of the civil cases in the country involve inheritance and divorce, he added.

The president noted that China showed equal interest in Thai laws. Chinese judicial officials, he said, are prepared to study Thai laws for the benefit of improving China's judicial code.

#### HU YAOBANG MEETS AUSTRALIAN TRANSPORT DELEGATION

OW271312 Beijing XINHUA in English 1302 GMT 27 Jun 85

[Text] Beijing, June 27 (XINHUA) -- Communist Party General Secretary Hu Yaobang said here today that China would prove itself trustworthy and reliable in cooperation with foreign countries.

Hu said this at a meeting with an Australian communication and transportation delegation headed by Sir Peter Abeles, managing director of Thomas Nationwide Transport and joint managing director of Ansett Transport Industries.

Abeles said Australia sincerely hoped for more efficient cooperation with China.

Hu said China and Australia could have long-term economic and technological cooperation with broad prospects.

As long as both sides take into consideration each other's difficulties, Sino-Australian cooperation can be expanded and prolonged, the general secretary said.

China adopts a positive attitude toward increasing trade between the two countries based on mutual benefit, he said.

Abeles informed Hu of the ongoing Sino-Australian transport talks.

Hu expressed his appreciation and wished success to the talks.

Present on the occasion were Chinese Vice-Premier Li Peng, Minister of Communication Qian Yongchang, Vice-Minister in Charge of the State Planning Commission Zhao Weichen and Director-General of the Civil Aviation Administration of China Hu Yizhou.

Australian Ambassador Dennis W. Argall was also present.

ZHANG AIPING CONTINUES VISIT TO PAKISTAN

OW290123 Beijing XINHUA in English 0101 GMT 29 Jun 85

[Text] Islamabad, June 28 (XINHUA) -- President Zia Ul Haq received visiting Chinese State Councillor and Defense Minister Zhang Aiping at the Murree resort this evening.

Zia spoke highly of the friendship between Pakistan and China. He said the Chinese defense minister's visit will pave the way for closer political and military cooperation between the two countries and Armies.

Zhang said China and Pakistan have always supported each other on the basis of mutual benefit. He praised Pakistan for its just stand on the Afghan issue. The humanitarian assistance provided by Pakistan to the Afghan refugees, he said, has won extensive support and admiration throughout the world.

After the meeting the president gave a dinner for the Chinese defense minister. Present on the occasion were Chairman of the Joint Chiefs of Staff Committee Rahimuddin Khan and other Pakistan senior military and government officials.

Chinese Ambassador to Pakistan Wang Chuanbin was also at present.

Attends Banquet

OW010306 Beijing XINHUA in English 0209 GMT 1 Jul 85

[Text] Islamabad, June 30 (XINHUA) -- Pakistan Secretary-General of Defense Rahim Khan gave a grand banquet in honor of visiting Chinese State Councillor and Defense Minister Zhang Aiping here tonight.

Rahim Khan said in a toast that the People's Republic of China is a model neighbor, a trusted and reliable friend. The existing cooperation between the Armed Forces of the two countries would expand further to ensure peace and stability in this region, he added.

Zhang Aiping in his speech appreciated Pakistan's foreign policy for peace, non-alignment and promoting friendly relations with its neighbors.

Among those present at the banquet were Rahimuddin Khan, chairman of the Joint Chiefs of Staff Committee of Pakistan, and Chinese Ambassador to Pakistan Wang Chuanbin.



TURKISH PRIME MINISTER ARRIVES FOR VISIT

Departs Ankara

OW282026 Beijing XINHUA in English 1850 GMT 28 Jun 85

[Text] Ankara, June 28 (XINHUA) -- Turkish Prime Minister Turgut Ozal and the delegation led by him left here this afternoon for a six-day visit to China. Before his departure, Ozal stressed to reporters at the airport that his visit to China would strengthen the traditional friendship and enhance economic co-operation and trade between the two countries.

The Turkish delegation is composed of more than 150 members including 14 Grand National Assembly deputies and 60 well-known figures from economic and business circles.

This is the first time for a Turkish prime minister to visit China since the establishment of diplomatic relations between the two countries in 1971.

In recent years, relations between Turkey and China have been developing, especially in economic field. Turkish export to China increased from 17 million U.S. dollars of 1982 to 40 million U.S. dollars in 1984 and its import from China also increased from 2 million to 8 million U.S. dollars in the same period.

It is expected that China-Turkey trade volume will amount to 100 million U.S. dollars in 1985.

Zhao Ziyang Welcomes Ozal

OW301248 Beijing XINHUA in English 1232 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Turkish Prime Minister Turgut Ozal arrived here this afternoon on a six-day official visit to China at the invitation of Premier Zhao Ziyang. The prime minister, Mrs Ozal and their party were welcomed to China at a ceremony presided over by Zhao in the plaza to the east of the Great Hall of the People this evening.

The 150-member Turkish delegation includes Minister of State Adbullah Tenekeci, 14 Grand National Assembly deputies and 70 well-known figures from industrial and commercial circles. This is the first visit by a Turkish prime minister to China since the establishment of diplomatic relations between the two countries in 1971.

Today, colorful buntings were strung overhead along Beijing's main thoroughfare, the Changan Street. National flags of the two countries fluttered at the plaza.

Chinese Premier Zhao greeted Prime Minister and Mrs Ozal when they drove to the plaza in the company of Yang Bo, chairman of the Chinese Government reception committee and minister of light industry. Two youngsters presented bowers to them.

The welcome ceremony began at 6:15 p.m. A military band played the national anthems of China and Turkey, and a 19-gun salute was fired. After that, the two leaders reviewed a guard of honor made up of men of the three services of the Chinese People's Liberation Army. About 300 youngsters danced and waved flowers to greet the Turkish visitors.

Among those present at the ceremony were Chinese State Councillor Zhang Jingfu, advisor to the Foreign Ministry Gong Dafei, Vice-Minister of Urban and Rural Construction and Environmental Protection Lian Zhong, Vice-Minister of Culture Lu Zhixian, deputy to the minister of foreign economic relations and trade Chen J. and Chinese Ambassador to Turkey Zhan Shiliang.



## Zhao Hosts Banquet

OW301535 Beijing XINHUA in English 1517 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Chinese Premier Zhao Ziyang and the visiting Turkish Prime Minister Turgut Ozal today stressed further development of bilateral relations, economic cooperation and trade. The occasion was the state dinner Zhao gave in honor of Prime Minister and Mrs Ozal tonight at the Great Hall of the People. The Ozals came to Beijing with a 150-member group.

Zhao said in his speech that the world was fraught with problems, complex and interwin- ing. But the main trend was that the people of both the developing and the developed countries urgently demanded peace and development. They demanded the two superpowers to conduct sincere talks and stop arms race so as to ease the East-West relations and build their countries in a peaceful environment. "This is the common wish of the world people and an irresistible historical trend," Zhao said.

The Chinese Government and people knew very well the value of world peace and interna- tional friendship and cooperation, he noted.

Zhao held that since the establishment of the diplomatic relations between the two coun- tries in 1971, bilateral friendly relations had made rapid progress, and the present visit by Ozal followed Turkish President Kenan Evren's visit to China in 1982 and Chinese President Li Xiannian's visit to Turkey last year.

He said he was looking forward to his talks with Ozal, a well-known statesman and economist.

Responding, Ozal said it was the common goal of the two countries to provide better liv- ing conditions for their people in a peaceful, stable and safe environment. Turkey sup- ported an effort for world peace.

In the present world, he pointed out, political tensions could be found everywhere and regional wars continued. Faced with the danger of a nuclear war, Turkey sincerely hoped that the East and the West would establish relations of mutual respect and understanding and a supervisable agreement would be reached for an equal control of armament.

He noted that no problems existed between Turkey and China and their fast developed rela- tions in the political field were expanding to the areas of the economy, trade and cul- ture. Turkey would make every effort to raise bilateral cooperation to a level suitable to the potentials of the two countries, he said.

Meeting Turkish journalists before the banquet, Premier Zhao described Ozal's current visit to China as an important event in Sino-Turkish relations. He was sure that the visit would push forward the relations between the two countries.

He told the journalists that Ozal was to meet Chinese leader Deng Xiaoping and President Li Xiannian, and hold talks with himself.

A journalist asked for the Zhao's comment on Ozal's plan to increase two-way trade to five hundred million U.S. dollars a year, a 10 times the present volume.

Zhao replied that there existed great potentials for the development of Sino-Turkish economic relations. China and Turkey could further their economic relations on the basis of supplying each other's needs for common progress. Five hundred million U.S. dollars was not a big figure which could be achieved though efforts by the two sides.

Among those attending the banquet were Vice-Chairman of the National People's Congress Standing Committee Rong Yiren, State Councillor Zhang Jingfu, State Councillor and Foreign Minister Wu Xueqian and Vice-Chairman of the National Committee of the Chinese People's Political Consultative Conference Burhan Shahidi.

Zhao, Ozal on World Issues

OW010824 Beijing XINHUA in English 0812 GMT 1 Jul 85

[Text] Beijing, July 1 (XINHUA) -- Chinese Premier Zhao Ziyang and Turkish Prime Minister Turgut Ozal had a wide exchange of views on current international issues as well as on bilateral relations during their three-hour talk this morning at the Great Hall of the People.

Speaking on the international situation, Zhao said, the resumption of arms talks between the United States and the Soviet Union in Geneva had somewhat eased world tension, but substantial problems still remained unsolved.

He said that the two basic issues of world peace and development were inseparable and that tension in East-West relations was unfavorable to development of Third World countries.

The Chinese premier pointed out that the danger of war existed, but China held that war was not imminent because the forces safeguarding peace were growing. The Third World countries as well as most other countries do not want war and neither do the people of the United States and the Soviet Union. Now there are more and more countries pursuing the policy of independence and this, Zhao noted, would check the two superpowers.

The two leaders briefed each other on the foreign policy of their two countries and reviewed their positions on some major international issues.

Ozal stressed that Turkish policy was to establish and develop friendly relations with all other countries and his country hoped for a stable international situation and a peaceful international environment to carry out construction. Zhao expressed his appreciation for this policy.

On bilateral relations, the two leaders expressed the opinion that Sino-Turkish political relations were good and development of economic relations and trade had broad prospects. They also discussed ways to expand bilateral cooperation.

They pledged to make common efforts to promote friendly relations in economic cooperation and trade. They also exchanged information on economic reform.

Premier Zhao accepted an invitation extended by Prime Minister Ozal to visit Turkey at a time convenient to him. The time will be settled through diplomatic channels.

On the Turkish side attending the talks were Minister of State Abdullah Tenekeci, Vice-Foreign Minister Necdet Tezel and Turkish Ambassador to China Behic Hazar. The Chinese side included State Councillor Zhang Jingfu, Minister of Light Industry Yang Bo, advisor to the Ministry of Foreign Affairs Gong Dafei and Chinese Ambassador to Turkey Zhan Shiliang.

IRAN'S RAFSANJANI MEETS PRC LEADERS, ENDS TOUR

## Meets Peng Zhen

OW281330 Beijing XINHUA in English 1315 GMT 28 Jun 85

[Text] Beijing, June 28 (XINHUA) -- The fundamental interests of the Third World countries require these countries to unite in their concerted efforts to oppose hegemonism, develop their economy and improve the living standards of their people, Chairman of the Standing Committee of China's National People's Congress Peng Zhen said here today.

At a meeting with Hojjat ol-Eslam 'Ali Akbar Hashemi-Rafsanjani, speaker of the Iranian Islamic Consultative Assembly, Peng noted that both China and Iran had had similar experiences as victims of imperialism and colonialism and were subjected to hegemonic threat today.

Expressing China's willingness to establish friendship relations and cooperation with Iran, he said that there were solid material base and broad prospects for Sino-Iranian economic cooperation.

Rafsanjani said that China had a fine tradition and experience in self-reliance, and that his country was willing to promote co-operative relations with it in the political, economical and cultural fields.

Speaking on international situation, Peng Zhen said that China maintained that disputes among the Third World countries should be resolved through friendly talks.

China hoped that the Third World countries should unite, that all peace-loving countries should unite and that the people of all countries, including those in the Soviet Union and the United States, should unite to stop war and safeguard world peace, he said.

Peng hosted a luncheon for the Iranian visitors after the meeting. Present on both occasions were Vice-Chairman of the N.P.C. Standing Committee Seypidin Aze, the committee's Secretary-General Wang Hanbin and Minister of Public Health Cui Yueli.

## Zhao Ziyang Attends Banquet

OW281725 Beijing XINHUA in English 1652 GMT 28 Jun 85

[Text] Beijing, June 28 (XINHUA) -- Iranian Ambassador 'Ali Khorram gave a banquet at the Embassy here this evening for the visit to China by the speaker of the Iranian Islamic Consultative Assembly, Hojjat ol-Eslam 'Ali Akbar Hashemi-Rafsanjani.

Among those attending the banquet with the speaker were Chinese Premier Zhao Ziyang, Vice-Chairman of the National People's Congress Standing Committee Seypidin Aze, State Councillor Zhang Jingfu, State Councillor and Foreign Minister Wu Xueqian.

Rafsanjani and his party visited the Institute of Islamic Theology and attended services there this afternoon.

## Meets Deng Xiaoping

OW290710 Beijing XINHUA in English 0652 GMT 29 Jun 85

[Text] Beijing, June 29 (XINHUA) -- Chinese leader Deng Xiaoping expressed the wish today to strengthen Sino-Iranian friendship. Deng, chairman of the Central Advisory Commission of the Chinese Communist Party, made this remark in a meeting here this



morning with Hojjat ol-Eslam 'Ali Akbar Hashemi-Rafsanjani, speaker of the Iranian Islamic Consultative Assembly.

Deng told the Iranian speaker that China and Iran have maintained close relations for a long time. China is poor but it is a big country with a large population. It was not easy for others to understand China and it welcomes Iranian friends to come and visit. "We should deepen our mutual understanding and promote our friendship on such a basis," he added. Deng expressed satisfaction over the fruitful discussions on economic exchanges conducted by the Iranian delegation and their Chinese counterparts.

#### Deng on Iran-Iraq War

OW290918 Beijing XINHUA in English 0904 GMT 29 Jun 85

[Text] Beijing, June 29 (XINHUA) -- Chinese leader Deng Xiaoping today called for an early end to the Iran-Iraq war under conditions acceptable to both sides. Deng, who is chairman of the Central Advisory Commission of the Chinese Communist Party, made this remark at a meeting with Hojjat ol-Eslam 'Ali Akbar Hashemi-Rafsanjani, speaker of the Iranian Islamic Consultative Assembly, here this morning.

He told Rafsanjani: "As your friends, we in China are concerned about the Iran-Iraq war. We hope the war will end at an early date under conditions acceptable to both sides."

Deng said that China sincerely hopes that all Third World countries will be able to concentrate their efforts on economic construction.

Extending a welcome to the Iranian visitors, Deng said the two countries should exchange more visits so as to promote mutual understanding and friendship.

Rafsanjani said that to visit China and become acquainted with the Chinese leaders had long been one of his dearest wishes as he cherished good feelings toward China. He told Deng that he found China was much better than he expected, with the current policy beginning to achieve results and the people's life becoming more colorful.

He held that China's policy of opening to the outside world and the measures she was taking had brought the people's initiative into play. He believed that China would be one of the countries which Iran could have the best cooperation with.

Deng held that Rafsanjani's visit to China had strengthened Sino-Iranian economic cooperation. "This is a good thing," he said. "Our two countries have many things in common. The most important one is that we both need development. The development of the economic and cultural cooperation between the two countries has broad prospects," Deng said.

Among those attending the meeting were Chinese State Councillor Zhang Jingfu and Secretary-General of the National People's Congress Standing Committee Wang Hanbin, as well as Iranian Foreign Minister 'Ali Akbar Velayati, and Deputy Prime Minister Gholam Reza Aqazadeh.

#### Sino-Iranian Agreement Signed

OW300132 Beijing XINHUA in English 1852 GMT 29 Jun 85

[Text] Beijing, June 29 (XINHUA) -- An executive plan for 1986-1987 cultural cooperation between the Governments of China and Iran was signed here today. A leading bureau member of the Chinese Ministry of Culture and a leading member from the Department of Cultural Relations of the Iranian Foreign Ministry signed the document on behalf of their respective governments.

I. 1 Jul 85

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PRC INTERNATIONAL AFFAIRS  
MIDDLE EAST & AFRICA

#### Rafsanjani Satisfied With Tour

OW291240 Beijing XINHUA in English 1224 GMT 29 Jun 85

[Text] Beijing, June 29 (XINHUA) -- Iranian Assembly Speaker Hashemi Rafsanjani said Iran and China share identical views on a series of international and bilateral issues at a press conference here today. He was "fully satisfied" with his talks with Chinese leaders, the Iranian speaker said. This visit has been "a total success" and "very fruitful" and to some extent more so than expected, he added.

China is a truly independent country and does not pursue a colonial or aggressive policy, he stressed. It also has experience in self-sufficiency and reconstruction, he said.

Iran-China cooperation can be seen in projects in such fields as industry, agriculture, fisheries, road and railway construction, mining and forestry, as well as trade and commercial exchanges, he said.

#### Zhao Bids Farewell to Group

OW300724 Beijing XINHUA in English 0630 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- Hojjat ol-Eslam 'Ali Akbar Hashemi-Rafsanjani, speaker of the Iranian Islamic Consultative Assembly, left here for Xian, an ancient city of China, after his 4-day tour in Beijing.

Before his departure, Chinese Premier Zhao Ziyang went to the state house to bid farewell to the Iranian speaker.

An "agreed minutes" was signed by Chinese State Councillor Zhang Jingfu and Iranian Deputy Prime Minister Gholam Reza Aqazadeh here this morning. Premier Zhao and Rafsanjani attended the signing ceremony.

#### Delegation Leaves for Tokyo

OW010756 Beijing XINHUA in English 0647 GMT 1 Jul 85

[Text] Shanghai, July 1 (XINHUA) -- Iranian Assembly Speaker Hashemi-Rafsanjani and his party wound up their official goodwill visit to China and left Xian for Tokyo via Shanghai this morning.

In a telephone call to the speaker yesterday, Peng Zhen, chairman of China's National People's Congress Standing Committee and Premier Zhao Ziyang congratulated him on his successful visit to China. They asked him to convey their regards to their religious leader Khomeyni and other Iranian leaders.

Seeing the visitors off at Shanghai Hongqiao airport were Minister of Public Health Cui Yueli, Vice-Mayor of Shanghai Li Zhaoji and Chinese Ambassador to Iran Fan Zuokai.



BO YIBO SPEAKS AT PARTY RECTIFICATION MEETING

OW300947 Beijing XINHUA Domestic Service in Chinese 1544 GMT 29 Jun 85

[Text] Beijing, 29 Jun (XINHUA) -- The Central Commission for Guiding Party Rectification [CCGPR] held a meeting on the afternoon of 28 June, attended by responsible persons of the leading groups for guiding party rectification in 10 departments of central and state organs, as well as responsible persons of party committees and groups of the various ministries and commissions. Bo Yibo, the CCGPR permanent vice chairman, delivered an important speech at the meeting, on issues related to party rectification in ministries and commissions connected with the 10 departments of the central and state organs.

Attending the meeting were members of the CCGPR, responsible comrades in charge of party rectification in the party committees and groups of ministries and commissions of the central and state organs, responsible comrades of the leading groups for guiding party rectification in the 10 departments, as well as responsible comrades of the All-Army Party Rectification Office, the party committees of organs directly under the CPC Central Committee, and the party committees of state organs.

To promptly understand the progress and effectively cope with the existing problems in party rectification in all ministries and commissions in central and state organs and strengthen leadership over party rectification in all ministries and commissions, the CCGPR secured the CPC Central Committee's approval, and, on 3 January 1984, established leading groups for guiding party rectification in 10 departments, which are separately in charge of the relationship between the party and the masses, political and legal affairs, propaganda and education, comprehensive matters, industry and communications, military industry, agriculture and forestry, finance and trade, science and technology, and foreign affairs. Now party rectification in ministries and commissions connected with these departments has been completed. At today's meeting, Bo Yibo touched on the work of the 10 departments, and said: Under the leadership of the CPC Central Committee Secretariat and the CCGPR, leading groups for guiding party rectification in the 10 departments did a lot of work during the first-stage party rectification. They have done their duties, and have lived up to the expectations of the party Central Committee and the CCGPR. They have made remarkable achievements in their work. On behalf of the CCGPR, he wholeheartedly thanked the comrades of the 10 departments, the veteran comrades in particular, and hoped that they would continue to support party rectification in the future.

Bo Yibo noted the necessity to realistically evaluate the results of party rectification in all ministries and commissions of the central and state organs. He said: First we should fully affirm the work on party rectification in all ministries and commissions. Through party rectification, most ministries and commissions have made progress in varying degrees. Fairly outstanding results have been made in straightening out the guiding thoughts in vocational work. This has tremendously facilitated our ministries and commissions in further emancipating their minds, clarifying the direction of reform, and truly making their work serve socialist modernization. However, many ministries and commissions have not done enough, some have done far from enough, in solving problems related to ideology, work style, and organizational impurity that exist within the party, especially in areas related to strengthening party spirit and discipline, and to correcting the new unhealthy practices. It is necessary to appropriately analyze the work during the first-stage party rectification. We should affirm the achievements as well as point out the drawbacks and should not consider our achievements perfect, lest we should relax future efforts.

Practice in the past year and more showed that whether a unit is successful in party rectification depends on whether its leading body, and its No 1 and No 2 men in particular, follows a correct ideological and political line; whether it is tough in work style; whether it resolutely and correctly implements the CPC Central Committee decision on party rectification; and whether it has tried its best to rectify the party's work style, discipline, and organizational setup while straightening out the guiding thoughts in vocational work. The efforts to straighten out the guiding thoughts in vocational work, which are essential to ideological rectification, are closely related to, and are a part of the efforts to rectify work style, discipline, and organization setup. Why do we say party rectification will promote and guarantee reforms? This means that by achieving practical results in rectifying the party's ideology, work style, discipline, and organizational setup, we can remove things that obstruct reform and can provide impetus to and pave the way for reform.

Bo Yibo earnestly pointed out: At present the situation of lax organization and discipline has become very serious in some units. The party Central Committee has repeatedly stressed that party members must strictly observe party discipline, and that on the question of party spirit, principle, and discipline, there is no such thing as "relaxation." Unfortunately, this extremely important question has failed to arouse due attention in the whole party. Some cadres have even remarked: "In order to bolster the economy, party style must be relaxed." What merits our serious concern is: The principle of commodity exchange has permeated the political life in some party and political organs. "Everything for money" and "money worship" are corrupting some people among our ranks. Some people have published articles that propagate very inappropriate or erroneous views and stands, for which I do not have to cite specific examples. What must be pointed out is that if our party members and leading cadres are incorrect in ideology and thinking and their mental conditions are unhealthy, they cannot effectively resist or oppose corruption by the exploiting decadent class ideas and spiritual pollution of the bourgeoisie's liberal tendencies and those vulgar and obscene newspapers, periodicals, and videotapes. I want to emphatically point out: We are working for the socialist cause, and our ultimate goal is realizing communism. This is a very important issue. Under the leadership of the party Central Committee, the economic construction currently being carried out in our country is a socialist economic construction program, and our economic structural reform is also a socialist economic reform. All our party members must bear in mind at all times that we are engaged in socialist modernization, not any other kind of modernization. Our cause is a socialist cause. At a meeting on 24 June, Comrade Hu Yaobang pointed out: At present some irresponsible newspapers, books, and periodicals are running rampant; if this problem is left alone unchecked, first, we would be shielding those people who only want to make money by "contributing" to those publications, thereby causing some cultural workers to lose their bearing; and second, these publications would poison our young people. Although only a few newspapers, periodicals, and books are propagating pornography at present, there are a considerable number of newspapers, periodicals, and books that are propagating useless stuff. In an article "The Mission of the Youth League," Lenin pointed out: What we wanted is true knowledge, useful knowledge; we must never "fill the youth's minds with empty ideas that are 90 percent useless and 10 percent distortions of facts;" and we must never let their heads "be filled with useless garbage." If we do such things, what would we be doing? Building up a spiritual civilization or just collecting garbage? And where are we guiding our youth? At present, some advertisements are propagating servility, and everything has to bear a foreign label. We must sum up experiences in this regard and clearly explain to everyone that advertising is not just for disseminating economic information but is also an issue related to ideological building as well.

Concerning this question, party committees at all levels must cite facts and use reasoning to carry out political education and education in party spirit among the vast number of party members.

Bo Yibo said: Our current line, principle, and policy as well as the orientation of our reform are all correct, and we must affirm their correctness without any wavering. However, we must also pay serious attention to the abovementioned problems and must never regard them as mere trifles of no importance. These problems are incompatible with the party rectification and reform currently being carried out by us. We must take effective measures to earnestly deal with them.

Bo Yibo offered several points on how to consolidate and exploit the results already achieved in party rectification. He said: At present the party rectification work in various departments and commissions under the party Central Committee and the state organs has basically ended. But this does not mean that the work of party rectification has been completed in these units, and that all is well from now on. The task of consolidating and exploiting the results of party rectification and the job of regular party building and party rectification are still arduous. For consolidating and exploiting the results of party rectification, he proposed five tasks as follows:

1. It is necessary to grasp well education in ideals and discipline. In accordance with the guidelines set in the CCGPR's Circular No 12, we should carry out in a down-to-earth and deep-going way the education of party members to increase their concept of party spirit as a central task in consolidating and exploiting the results of party rectification and in raising the party members' ideological and political quality. This question should be given attention throughout the second-stage party rectification. Units involved in first-stage party rectification should also make up for this in a serious way.

Party rectification, reform, and construction are all aimed at the goal of simultaneous prosperity of the socialist material and spiritual civilizations. As such, we should make resolute efforts to win a success in promoting socialist material civilization and, at the same time, in building socialist spiritual civilization. Should we forget or relax our efforts to grasp the building of socialist spiritual civilization, it will be impossible to achieve success in building material civilization. To develop our socialist economy, we must implement and persist, in the long term, in the policies of opening to the outside world and developing an open domestic economy. In the course opening to the outside world, especially in importing technology and equipment, we should always pay attention to the need for increasing our capabilities of self-reliance so that we can quickly catch up with the imported advanced technology and build our own key equipment to match that introduced from abroad. Besides, we should pay attention to the need for increasing the competitive edge of our own products so as to boost their sales on the international market and to the need to enhance our national confidence and to guard against the growth of the psychology of worshipping foreign things and the ideology that everything foreign is good. Moreover, in order to develop our socialist economy, we must let some people and some localities become better off earlier than others so that they will serve as leaders in making more people and localities well-to-do. This conforms to the objective law on the development of things. Also, this assists in implementing the principle of distribution according to work and eliminating egalitarianism in distribution. To let some people become well off earlier than others is by no means to bring about polarization, but to have the whole people achieve common affluence step by step. As long as we persist in making public ownership the main system and in taking the path of common affluence to develop a planned commodity economy, our economy will be one of socialism with broad prospects for progress, and it can never become any other kind of economy. We should have full confidence in this.



Experience indicates that if we are to make a success of the education in ideals and discipline and truly enhance the party spirit of our party members, we should do the following as the key tasks: First, the leaders should play a leading role. That is, the party committees and leading cadres who are party members at all levels must set an example by their own conduct and be real models. Second, it is imperative to grasp typical cases, both positive and negative, in close connection with the realities of one's own department and unit, to analyze them, and to use them in conducting dynamic, real-life education. Third, serious efforts should be made to carry out criticism and self-criticism. All ideas and conduct not conforming to the principle of party spirit should be seriously pointed out and resolutely corrected. In no way should the series of "left" things be practiced.

2. It is necessary to be firmly resolved to really correct the unhealthy practices. First of all, leading cadres at all levels should take the lead in checking and liquidating the unhealthy practices existing in their respective localities, departments, and units, and act in strict accordance with the relevant policies established by the party Central Committee and the State Council and in strict accordance with the state laws. At present, in correcting the new unhealthy practices, a major task should be to make a serious effort to eliminate and rectify the acts of party and government organs and their cadres who engage in commerce and open their own business enterprises and to strictly ban business activities by sons, daughters, or spouses of leading cadres. In particular, it is imperative to seriously investigate and deal with major and important cases, and no one should protect and condone those who violate party discipline and state laws to a severe extent. As for those "briefcase companies" [pi bao gong si 4122 0545 0361 0674] engaged in speculation and profiteering and seeking to make colossal profits, we must resolutely ban, thoroughly investigate, and seriously deal with them.

With regard to the building of leading bodies and the third echelon, some leading cadres have lowered the standard for "making our contingent of cadres more revolutionary, younger in average age, better educated, and professionally more competent," and there exists the phenomenon of "appointing people by favoritism." Some have even tried to achieve their personal goals at the expense of seriously violating the principle of organization. Some cadres have by hook or by crook asked the party for official positions. Others have shielded one another in dealing with violations of party discipline and state laws. All these are also unhealthy practices, which should be corrected seriously.

3. The work of investigating the "three types of persons" is still to be stepped up. Party committees and leading party groups of various ministries and commissions must enhance their sense of responsibility and continue to strengthen leadership over the investigation. They must continue maintaining an investigation contingent suitable for carrying out the investigation task. They must promptly deal with the people according to their nature once they are found and proved to be the "three types of persons," and they must not leave the matter unsettled because of factional or other kinds of interference. With the unfolding of nationwide party rectification, some departments may uncover new clues, which must be followed up in a timely manner and handled accordingly. They must strengthen their leadership, checking, and supervision over the investigation work of their subordinate units and help the localities carry out the cleanup work of units under dual leadership [shuang chong ling dao dan wei 7175 6850 7325 1418 0830 0143] to prevent the existence of "blind spots."



The investigation work must be carried out under the guidance of the Central Document No 17 and other relevant documents, particularly in those "disastrous units" of the "Great Cultural Revolution" period where no serious cleanup efforts have been made.

4. New problems that come up in the course of our advance must be resolved promptly. Leading comrades of the various ministries and commissions must all carry their work down to the grass-roots level and to the masses in the spirit of "indulging less in empty talk but doing more concrete work" and "refraining from making mere gestures or paying lip service," as was repeatedly stressed by the central authorities. They must go deep into reality to investigate and study and draw up the policy line and necessary measures in a timely manner in order to satisfactorily resolve the problems in the course of our advance and to further develop our present favorable political and economic situation. Bureaucratic leadership style must be changed, and our structures must be streamlined! This task must not remain in the stage of idle talk, paperwork, or meeting without being translated into action.

5. The party committees and leading party groups of the various ministries and commissions as well as the party committees of the various departments must seriously attend to the day-to-day work of party building. We suggest that the Central Discipline Inspection Commission, the Organization and the Propaganda Departments of the CPC Central Committee, the party committees of the departments and organizations under the CPC Central Committee, and the party committees of the departments and organizations under the State Council strengthen their guidance and supervision over the CPC Central Committee departments and organizations and the ministries and commissions under the State Council concerning their day-to-day work in building the party's ideology, work style, and organization. I want to stress one point in particular, that is, I agree with what Comrade Hu Yaobang has repeatedly said for some time, that we must seriously work to maintain a normal life in all party organizations, from the top down to the party branches. This is a major task which has yet to be accomplished. If this task is not accomplished, there will always be the danger that our principles and policies will fail or get distorted, no matter how good they are. In this sense, I believe that we can safely say that a normal life of the party organization, or the lack of it, decides everything. Party organizations at all levels must seriously strengthen party building in all areas and seriously strengthen the education of the vast numbers of party members so that they may adapt themselves to the requirements of the new situation and task more successfully, heighten their party spirit, and rouse themselves with greater unity to play a model and leading role in the four modernizations and reform.

Bo Yibo concluded: Party rectification work has not been completed in a number of ministries and commissions, and in units where the work has been completed, there is still the question of how well they will do in the future, whether their achievements can be consolidated and developed, and whether they will consciously resolve their problems. In light of this, the offices of the various departments need to keep a small number of personnel who, as liaison personnel for the CCGPR, shall maintain contact with the relevant ministries and commissions and shall play an observing, liaison, and supervisory role. During the entire course of our party rectification, we have refrained from using methods adopted in past "movements." This is completely correct. We hope that our party rectification units will also carefully note this and refrain from approaching the current party rectification in the same way some people did in dealing with "movements," thinking that they have passed the test once party rectification is over and that there is no need for follow-up actions.

[XINHUA Domestic Service in Chinese at 1543 GMT on 29 June carries the following "public notice": We would like to pass on to you the following notice of the CCGPR office: The item on the meeting of responsible persons of the party committees and leading party groups of 10 departments held by the CCGPR, where Bo Yibo called for consolidating and developing party rectification achievements in five respects, which was transmitted today, should be published prominently on the front page.]

LIAOWANG ARTICLE STRESSES OVERALL SITUATION

OW300520 Beijing XINHUA Domestic Service in Chinese 1506 GMT 29 Jun 85

[Text] Beijing, 29 Jun (XINHUA) -- Issue No 26 of the LIAOWANG weekly to be published on 1 July carries a commentator's article entitled "The Entire Party Should Take the Whole Situation Into Account."

The article says: The entire party should take the whole situation into account. Only with the whole situation in mind can we see and think clearly and take decisive action to achieve fruitful results. Without the whole situation in mind, we will become short-sighted or even lose our bearings, thus deviating from the party's demands, heading for evil paths, and inflicting losses on the country and people. In view of the complicated transitional period for China's political, economic, cultural, scientific, and educational affairs during the ongoing reform, it is of great immediate significance to put more stress on the whole situation often.

What does the whole situation mean? It means the party's general task and general fighting goal at the present stage. That is, it means to build socialism in both material and spiritual aspects and promote China's economic development by first achieving the gigantic goal to quadruple the gross annual industrial and agricultural output value before the end of this century and, second, on the basis of achieving this goal, to work hard for several decades to enable China to catch up with or approach the level of advanced countries and realize the long-cherished dream of several generations of people -- making China stand on its own feet among the world's advanced countries. Herein lies the will of the whole party and common aspirations and vital interests of the people of the country's nationalities. All our work should be focused on and should serve this general task and goal. This is the whole situation, which every communist should constantly bear in mind.

The article says: In stressing the whole situation, it is necessary to correctly handle the relationship between the whole and the partial situations and firmly adopt an overall point of view. Comrade Deng Xiaoping said: "We must take the interests of the whole into account. Some things appear feasible from a partial point of view, but not so from an overall viewpoint; others are just the opposite. However, in the final analysis, we must take the situation as a whole into consideration." A communist should have the vision, courage, and character to sacrifice partial interests incompatible with the overall interests and subordinate the partial situation to the whole. The reason for this is very simple. It is because the whole situation represents the country and people's vital interests, and undermining the whole situation means undermining the country and people's vital interests and will deprive us of the way to take into account partial interests.

The article says: In stressing the whole situation, it is necessary to safeguard unity and abide by discipline. "Unity Means Strength," a popular song for many years, is indeed a good song which has accompanied us through numerous hardships and difficulties, inspiring us to win victory with one heart and one mind.

However, some of our comrades still cannot "sing" this song well and put it into action, or they even totally forget about it. Unity means strength, and unity is for the overall interest! "Unity comes first and the work second" is a saying that provides us deep food for thought. Most of the longstanding problems, mounting difficulties, and sluggishness in some localities and units are related to disunity within the party and leading body there. How can the work be effectively carried out if people wrangle with one another, offset each other's efforts, and act without coordination? We are working on a great undertaking never attempted by our predecessors which urgently requires us to work with one heart and one mind to overcome countless obstacles ahead and to take concerted action to build the four modernizations. All communists, especially those in leading posts, should be aware of the heavy task they shoulder and conscientiously take the overall situation into account by placing unity above anything else. We have only the obligation to safeguard and enhance unity, but no right to undermine and hinder it and the people's undertakings. In stressing unity, we must also observe discipline. The party's discipline is a powerful weapon for us to surmount all obstacles, as well as a reliable guarantee for achieving unity in the party's will and action.

The article says: In stressing the overall situation, it is necessary to uphold the four fundamental principles ideologically and politically; that is, to uphold the socialist road, the dictatorship of the proletariat, the Communist Party's leadership, and Marxism-Leninism-Mao Zedong Thought. These are the basic premises for accomplishing the four modernizations. In expounding the four fundamental principles, Comrade Deng Xiaoping pointed out: "The central authorities deem it necessary to repeatedly stress upholding of the four fundamental principles today because some people (no matter how small in number) are attempting to shake these basic principles. This is by no means permissible. All communists, especially the party's ideological and theoretical workers, should never have even the slightest vacillation on this fundamental stand. To waver on any of the four fundamental principles means to shake the entire cause of socialism and the undertaking of the four modernizations." How incisive and convincing this passage is! It should be pointed out that in some party organizations, a number of party members have, in recent years, not gone all out to stress and publicize the four fundamental principles, allegedly from fear of being accused of "using high-flown words." This tendency merits our attention. Is there a Communist Party that does not stress Marxism-Leninism, socialism, the party's leadership, and the dictatorship of the proletariat? Where will such a party head? It will be a real example of decadent bourgeois ideology making its inroads into the party's organism. Comrade Deng Xiaoping said: It is "necessary to repeatedly stress" the four fundamental principles. In stressing the overall situation, it is necessary to, first of all, uphold and publicize the four fundamental principles. Whenever something crops up, we must assess whether or not it accords with the four fundamental principles.

The article points out: Our country's current political and economic situation is excellent. The Chinese nation is radiating a vigor, vitality, creativity, and hard-working spirit never seen before, and sees triumphant prospects for building the four modernizations. It is precisely because of the triumphant prospects that the whole party should, all the more, take the whole situation into account and be subordinated to and serve the overall interests in order to promote the progress of the party and the people's undertaking in a more wholesome manner.



RADIO TALK ON TROOP REDUCTION, REORGANIZATION

OW281019 Beijing in Mandarin to Taiwan 0130 GMT 26 Jun 85

["State Affairs Forum" talk by (Yang Fan)]

[Text] Listeners, friends: You might already know that an enlarged meeting of the Central Military Commission took place in Beijing from 23 May through 6 June, during which the implementation of the Chinese Government's strategic decision of reducing the Chinese Armed Forces by 1 million was discussed, and measures for implementing this decision were studied and drawn up. According to the meeting, the central tasks over the next 2 years will be structural reform, and the reduction in the strength of the Armed Forces. When this decision was announced, it attracted great attention at home and abroad. Foreign news agencies have analyzed, and commented on, this issue. Today, I would like to share with you my opinion.

First of all, I want to discuss why our country decided to reduce its troops by as many as 1 million. Frankly speaking, such a sizable reduction came as a surprise to me, let alone you people living overseas. Because of my profession, most of the time I am quite sensitive to development in various fields. Although I was aware that the Armed Forces were to be reduced and reorganized, the fact that as many as 1 million troops are to be demobilized was unexpected.

On what basis should there be such a sizable cut in the Armed Forces? This question was clearly answered by CPC Central Committee General Secretary Hu Yaobang and Central Military Commission Chairman Deng Xiaoping during the plenary session of the commission's enlarged meeting on 4 June. First, the current international situation was considered. We shall do nothing without considering the current situation. In other words, any plan we make is based on the development of the current situation. The Armed Forces' mission is to maintain peace and guard against aggression, and their work and principle are closely related to the international environment. Today, the danger of world war still exists. Because of the two superpowers' arms race, the factors of war will continue to grow. However, the people want peace, and are opposed to war. The growth of the forces for peace in the world will outpace the growth of those for war. The Chinese Government has always held high the banner of opposing hegemonism and safeguarding world peace, upheld an independent foreign policy, and steadfastly taken the side of the forces for peace. It is possible that large-scale world war would not break out for a relatively long time, because of the growth of the forces for peace. There are hopes for safeguarding world peace. Under such circumstances, the Chinese Government's decision to reduce and reorganize the Chinese Armed Forces, not only is highly essential, it is also fully feasible.

As a matter of fact, the Chinese Government has been reducing its troops over the past several years. Many personnel have already been demobilized. The Chinese Government's important strategic decision to restructure the Armed Forces and reduce their strength by 1 million men, serves as a continuation and development of the troop reduction which has been going on over the past several years.

Foreign newspapers and news agencies pointed out that this is a significant, strategic decision, made on the basis of analyzing the international situation, where the danger of an outbreak of large-scale world war is diminishing, and that the decision shows China's capability and self-confidence in defending itself against invasion. These newspapers and agencies also pointed out that China has already achieved significant successes in building up its military strength, thus enabling it to make the decision. These successes include restructuring and reducing the Armed Forces; making officers younger in age, better educated, and professionally more competent; and improving their training methods. China today is able to produce its interceptors, bombers, helicopters, and warships; and the Chinese Armed Forces' combat worthiness has been greatly enhanced.



Listeners and friends: I have just said that our country's decision to restructure its Armed Forces and reduce its troops by 1 million is based on the development of the current international situation. This strategic decision is also made in the light of our country's general need, namely economic construction, which is the central task and mission of our country today. We must concentrate our efforts on building our country into a modern, socialist power, and work in all fields, including the military field, must serve this general need. The restructuring of the Armed Forces, and the reduction of troops by 1 million, accords with this general need, and is in line with the principle of concentrating the nation's efforts on economic construction. Over the past several years, the Armed Forces have accomplished a great deal in supporting national construction in terms of manpower, material, and financial resources. Thanks to the Armed Forces' educational programs, designed to train dual-purpose personnel, a large number of officers and men, after demobilization, have been playing a positive role in all fields of national construction. The Armed Forces, by implementing the decision to restructure their organization and reduce their strength, are making another new contribution to national construction.

Restructuring and reducing the Chinese Armed Forces is also a positive policy as far as the Armed Forces themselves are concerned. Modernization of the national defense is part of China's four modernizations drive, but modernization of national defense has everything to do with economic modernization, which is the foundation. As long as we concentrate our efforts on economic construction, and expedite economic modernization, modernization of national defense would become easier. Such being the case, the policy of reducing the number of troops, but improving their competency and heightening their political awareness, is a major step in modernizing our Armed Forces.

Listeners and friends: I have just discussed with you the basis on which are Armed Forces are restructuring their organizational setup and reducing their strength. I would like to go on to discuss the second issue: The significance in restructuring the Armed Forces, and reducing their strength.

Restructuring the Armed Forces and reducing their strength by 1 million men is significant, not only because this will lessen the state's military expense burden, but also because it will reinforce the country's construction forces. That is why the decision has been widely endorsed by people at home and abroad. Hong Kong's TIN TIN DAILY NEWS pointed out in an editorial that participation of 1 million armymen, known for exceptional steadfastness and perseverance, will certainly help reinforce the production forces and, instead of becoming a burden, will certainly contribute even more to the state. Hong Kong's SING PAO DAILY NEWS maintains that the restructuring of China's Armed Forces and troop reduction is part of China's four modernizations drive. The paper said: As educational reform has been underway after conspicuous successes have been achieved in political and economic reforms, it is obvious that the current military reform is part of a series of reforms to be carried out in the course of the four modernizations. This is a project which has an objective, and which will proceed reliably and gradually on a sound basis.

Commenting on the same issue, certain foreign news agencies said: China's predominant tasks today are to develop its productivity and carry out economic and social reforms, and everything has to give way to modernization and improvement of the people's living standard. For this purpose, the nation is reducing its Armed Forces. Not only will this conserve large financial resources, but the demobilized personnel can also take part in economic modernization, which started over a year ago.

The restructuring and reduction of China's Armed Forces will also contribute significantly to the preservation of world peace. The world today is confronted with two major problems: Maintenance of peace, and economic development. Safeguarding peace and disarmament is an issue of worldwide concern. Disarmament, as a slogan, has been shouted for many years, and numerous meetings have been held. What is the result of disarmament? This is something the world can see: The two superpowers have participated in numerous meetings and negotiations on peace and disarmament. While not a single soldier has been cut from their ground and air forces, or from their conventional or nuclear forces, the arms race has become even more intensified.

China is a developing country, which needs a peaceful and stable international environment for its domestic economic construction. That is why we have consistently upheld the policy of opposing hegemonism and safeguarding world peace. The decision by our country to restructure its Armed Forces and reduce the troops by 1 million, will have a significant worldwide influence. Analyzing China's troop reduction, a foreign newspaper pointed out that this decision will affect China's domestic economy, and will produce a favorable response, both diplomatically and psychologically, especially in today's world, where little has been achieved, while much discussion has been aimed at cutting military strength and potential.

Listeners and friends: While analyzing the significance of our country's decision to restructure its Armed Forces and reduce their strength, I think we should also admit that this decision will promote the cause of ending the confrontation on both sides of the Taiwan Strait, and achieving a peaceful reunification of the motherland. The Chinese Government has repeatedly stated its principles and policies on Taiwan, indicating that it will do its best to resort to peaceful means to settle the issue of national reunification with the return of Taiwan to the motherland. However, we cannot make any certain promises to outsiders, because this is totally an issue concerning China's domestic policy, in which no outsider has the right to interfere. The Taiwan authorities, however, have been attacking our government's stand, accusing us of refusing to renounce the policy of invading Taiwan by force. They have also indicated that they will be well prepared for the challenge, and will always be ready to repulse the Chinese communists' attack. This is totally groundless. Hong Kong's TIN TIN DAILY NEWS pointed out in an editorial that the significance of China's troop reduction is twofold: Showing the world China's sincerity in safeguarding peace, and showing Taiwan China's sincerity for peaceful reunification. I agree with this observation by the Hong Kong paper; how about you friends?

Listeners and friends: I have just shared with you my opinion on the Chinese Government's strategic decision to reduce the number of troops by 1 million. Should you have any opinions on this decision, you are welcome to send us letters about it, so that we can discuss this issue together.

#### NAVY COMMENDS UNITS FOR HELPING BUILD NATION

OW291329 Beijing XINHUA Domestic Service in Chinese 0802 GMT 27 Jun 85

[Text] Beijing, 27 Jun (XINHUA) -- The Navy recently issued a notice commending 19 advanced units for actively supporting national economic construction. The notice also called on all subordinate units to value national interests during the current troops reorganization and make greater contributions to accelerating the four modernizations program.

Proceeding from the overall interests of the state, various Navy units have in recent years made good use of their advantages in equipment and technology in participating in national economic construction by various means.

They have aided or contracted more than 500 projects. A number of advanced units have come to the fore. An engineering unit of the East China Sea Fleet aided the construction of projects along Zhejiang's coast by participating in building the Taizhou power plant and a wharf at Ningbo Harbor and in dredging a harbor channel. The unit also undertook the construction of more than 20 other underwater and surface projects and fulfilled all their tasks ahead of schedule with good quality.

The construction of a port for the Shengli oil field undertaken by the North China Sea Fleet is an urgent key state project. A surveying unit of the fleet undertook the survey task for the port construction. More than 1,000 survey fighters moved into the Huang He delta and set up more than 60 work sites bestriding 10 counties, 1 city, and 2 provinces. They traveled more than 160,000 nautical miles, defying winds and waves, and completed the task of surveying the coastal zone at the estuary of the Huang He 3 months ahead of schedule. In a month they completed four blueprints for the construction of deepwater wharves for the Shengli oil field. The local governments praised them as "pacesetters in developing the golden coast."

To speed up the construction of the Zhuhai Special Economic Zone, the First Engineering Department of the South China Sea Fleet undertook several difficult projects such as a breakwater at Jiuzhou Harbor of Zhuhai City. Despite bad weather and difficulties caused by deep water and strong waves, the department put in 120,000 workdays and completed the project with high speed and good quality. It was commended by Guangdong's leading comrades.

#### VICE LABOR MINISTER ON RESETTLING ARMY OFFICERS

HK300528 Beijing ZHONGGUO XINWEN SHE in Chinese 0756 GMT 29 Jun 85

["Report: "Jiao Shanmin Talks on Resettling Army Officers"]

[Text] Beijing, 29 Jun (ZHONGGUO XINWEN SHE) -- It is the unshirkable duty of the Ministry of Labor and Personnel to make appropriate arrangements for Army officers being transferred to civilian work so as to enable them to play their proper role. This remark was made by Jiao Shanmin, vice minister of labor and personnel, in an interview given to this reporter on resettling Army officers.

The Chinese Government has recently declared that it will muster out 1 million Army personnel. It is said that Army officers account for over half of this total. The Ministry of Labor and Personnel will be responsible for resettling most of the Army officers transferred to civilian work.

Vice Minister Jiao Shanmin told the reporter that the resettling of the first batch of over 100,000 officers will begin next month. They will be assigned work mainly in their native place or the locality where they joined the Army. The labor and personnel departments at all levels will properly arrange jobs in accordance with the construction needs of the locality, the four requirements for cadres stipulated by the CPC, the ability of the Army officers and their posts in the Army. With regard to their dependents' employment, childrens' schooling, and housing, the Ministry of Labor and Personnel has already worked out concrete plans with the departments concerned.

Jiao Shanmin adopted an optimistic attitude on the question of the large numbers of Army officers being transferred to civilian work. He said: In 1982, there were large numbers of Army officers transferred to local political and legal departments. Facts have proved that they are competent at the new posts.



Deng Xiaoping, chairman of the Central Military Commission, has shown deep concern over the professional training of Army officers being transferred to civilian work. He has demanded that "in education and training in the Army, conditions must be created for cadres to work in local areas." Jiao Shanmin said: The Ministry of Labor and Personnel will provide various forms of training services to Army officers so that they can adapt themselves to local work as quickly as possible.

LEADERS MARK BIRTH DATE OF FORMER KMT GENERAL

OW271639 Beijing XINHUA in English 1614 GMT 27 Jun 85

[Excerpt] Beijing, June 27 (XINHUA) -- The 90th anniversary of the birthday of Fu Zuoyi, the late Kuomintang general who greatly contributed to the peaceful liberation of Beijing, was marked here this afternoon.

Central Committee Political Bureau Members Deng Yingchao, Xi Zhongxun and Yang Shangkun and Communist Party Central Advisory Commission Vice-Chairman Bo Yibo joined the 300 participants at a memorial meeting in the Great Hall of the People.

Bo Yibo Praises Fu Zuoyi

OW281317 Beijing XINHUA Domestic Service in Chinese 1545 GMT 27 Jun 85

[Talk by Bo Yibo at a forum commemorating the 90th anniversary of the birth of General Fu Zuoyi, 27 June]

[Text] Beijing, 27 June (XINHUA) -- Friends, comrades: We are meeting here today to commemorate the 90th anniversary of the birth of General Fu Zuoyi and to express our profound affection and sincere respect for the general, a noted patriotic soldier.

Gen Fu Zuoyi was a farsighted and wise patriot among the KMT's former high-ranking generals. He rendered outstanding service to the people in the war of resistance against Japan, particularly during the peaceful liberation of Peiping and Suiyuan. During China's socialist construction and for the cause of the reunification of the motherland, he sincerely cooperated with the CPC and made positive contributions.

Gen Fu Zuoyi, alias Yisheng, was a native of Linyi, Shanxi. He was born to a peasant family in 1895. Responding to the call to "build up the Army, save the nation from subjugation," he began pursuing a military career in his youth. After graduating from the Baoding Army Academy in 1918, he served in Yan Xishan's Army in Shanxi and participated in the Northern Expedition, the campaign launched by Yan Xishan and Feng Yuxiang to oppose Chiang Kai-shek, and the war of resistance against Japan. In 1939 he left Yan Xishan's troops to serve in the eighth theater of operations. In 1947 he became commander of the KMT's northern China "Bandits Suppression Command Headquarters" and fought with the forces of our party. Under the influence of our party's policy, he resolutely led his troops to revolt and crossed over to our side in 1947. After the founding of the People's Republic, he successively served as a member of the Central People's Government, vice chairman of CPPCC National Committee, vice chairman of the National Defense Commission, and minister of the Ministry of Water Conservancy. He died of illness in Beijing in 1974. Gen Fu's life was just as he himself described it. Since he lived in a time of confusion, his thoughts were full of confusion and contradictions. On the one hand, he ardently hoped to see his country and people become independent, unified, prosperous, and strong, and he was willing to struggle for that cause. Yet on the other hand, he was tightly bound by the feudal ethical code which required him to obey his superiors and be a hard taskmaster over his subordinates. This filled his early and middle years with frustrations.



However, after years of painful searching, he finally found truth. Responding to the CPC's call, he finally embarked on the road of genuine patriotism and fulfilled his long-cherished wish to work for the cause of making his country independent, unified, prosperous, and strong.

In commemorating Gen Fu Zuoyi, we must cherish the memory of his patriotic spirit in resolutely opposing the aggression of imperialists during the war of resistance against Japan. After the "18 September incident," the Japanese aggressors drove straight in. Northern China was in danger, and the entire nation was in danger. Comrade Mao Zedong pointed out that the situation then "put before all classes and political factions of China a question 'what shall we do?' Resist, surrender, or waver between the two?" As chairman of the Suiyuan provincial government and commander of the 35th Army of the KMT, Gen Fu Zuoyi made an unequivocal reply with his own deeds: Defend national independence; resolutely wage a war of resistance. In 1936, defying the instruction of Chiang Kai-shek and Yan Xishan "not to start a war hastily" and putting forward a slogan "be duty-bound to defend our territory; no one should be allowed to sit back without doing anything," he resolutely launched the Suiyuan resistance campaign which was known far and wide, and recaptured Honggeertu, Bailingmiao, and other key strategic positions in northern China from the Japanese and their puppet troops, thereby blunting the Japanese imperialists' arrogance and arousing the zeal of the people of various nationalities of the whole country in resisting aggression for national salvation. Comrade Mao Zedong lauded the Suiyuan resistance campaign as "heralding the national war of resistance against Japan" and praised Gen Fu Zuoyi as a national hero who "has enhanced the morale of the 400 million Chinese people." Various circles of the nation and the Overseas Chinese sent him letters or telegrams of comfort and congratulations; the nation's well-known patriotic figures and representatives from various associations for national salvation went to comfort the troops in Taiyuan and at the frontlines in Suiyuan. The CPC Central Committee sent a special delegation led by Nan Hanchen to comfort the troops in Suiyuan and to present them a banner with the inscription "Resist foreign aggression for the nation."

In 1940, a major victory was won in Wuyuan under the direction of Gen Fu Zuoyi, during which the Japanese and their puppet troops invading western Suiyuan suffered heavy casualties; Nobuo Mizukawa, a Japanese division commander, was killed in action. The victory mopped up the remnant Japanese and puppet forces in the rear areas of the great bend of the Huang He and consolidated the defense of northwest China. It was a glorious page in the history of the war of resistance against Japan. Gen Fu Zuoyi's merits and achievements in resisting the aggression of foreign enemies should be forever commemorated by us.

It was in the common struggle to resist the aggression of Japanese imperialism that contacts between Gen Fu Zuoyi and the CPC were made. Gen Fu supported the CPC's proposal for a united front to resist Japanese aggression. After the 7 July incident in 1938, he made frequent contacts with the 8th Route Army; fought shoulder to shoulder with them; and gained help from Nan Hanchen, Peng Xuefeng, Zeng Shan, Cheng Zihua, and other comrades. I came to know Gen Fu in the early days of the war of resistance against Japan while I was doing united front work in Shanxi. Later, I also had other associations with him. At that time, we highly praised Gen Fu for his patriotic spirit in resolutely resisting foreign aggression, and he very much admired the fine work styles of our party and the 8th Route Army it led. He invited students of the Chinese People's Anti-Japanese Military and Political College and other progressive young people to help train his troops. He formulated many political programs, enabling a new atmosphere to permeate his troops.

In commemorating Gen Fu Zuoyi, it is necessary to recall his particular meritorious services in the peaceful liberation of Peiping and Suiyuan. During the period of the people's liberation war, Fu Zuoyi traveled a tortuous road but learned a historical lesson, which enabled him to realize that "what the people oppose, one should never do, and it will never succeed. What the people wish, no one can resist." Therefore, he rejected the KMT authorities' high position and handsome salary and the imperialists' inducements and made a choice conforming to the historical trend. In January 1949, he led his troops to revolt and cross over, thereby realizing the peaceful liberation of Peiping, preventing the people from suffering heavy losses of lives and property, and keeping the world-renowned ancient city of Peiping intact. At a meeting with Comrade Mao Zedong on 22 February 1949, Comrade Mao Zedong commended the general for his "great merits in the peaceful liberation of Peiping." After that, Gen Fu Zuoyi personally went to Suiyuan to assist General Dong Qiwu in accomplishing a peaceful uprising in Suiyuan. I had the good fortune to be entrusted by the party Central Committee and Chairman Mao to participate in that work, during which I had frequent contacts with Mr Fu and made friends with him. I very much admire his farsightedness and sagacity. Gen Fu Zuoyi's meritorious service in promoting and accelerating the liberation of the entire China mainland after the "Peiping model" and the "Suiyuan model" will surely go down in history and will never be forgotten by the Chinese people. In September, the state awarded him a liberation medal, first order.

Gen Fu Zuoyi was constantly concerned about his subordinates who followed him during the uprising. He reflected to the CPC Central Committee on the status of the uprising personnel and offered his own views and suggestions, which our party totally accepted. The correct policy toward uprising personnel formulated by our party was once subjected to the interference of erroneous "left" ideas, particularly during the 10 years of turmoil when the policy was undermined and trampled underfoot by Lin Biao and the "gang of four." After the 3d Plenary Session of the 11th CPC Central Committee, this correct policy was restored and has been conscientiously implemented. If Gen Fu Zuoyi knows about this in the netherworld, he will certainly be very happy.

In commemorating Gen Fu Zuoyi, we should remember his contributions to socialist construction and the great cause of national reunification. Following the founding of New China, he resumed his diligent study of respected experts and strived to make himself a man capable of keeping up with the needs in socialist construction. He went deep into the realities of life to investigate and study, and his footprints could be found in the valleys of all our motherland's major rivers. He respected the CPC leadership and studied, researched, and implemented the party's lines, principles, and policies. He was devoted to his duty, did his work conscientiously and responsibly, and actively presented his views and proposals about his work to the party organization. His utter devotion to the CPC was acclaimed by Chairman Mao and Premier Zhou. Premier Zhou said: "To work out a good water conservancy project, Yisheng has kept arguing with other people. This is a lofty political approach." Chairman Mao encouraged him: "Cooperate properly and cooperate through to the end." Working with colleagues with all his heart, he made significant contributions to developing New China's water resources and electricity.

Gen Fu Zuoyi cared very much about the nation's reunification, his countrymen in Taiwan, and his old friends who had gone to Taiwan, hoping that the flesh and blood on both sides of the strait could be reunited at an early date. He kept promoting his cause and even made a statement on 28 February 1974, 2 months before he died.

Knowing that military and government personnel who had gone to Taiwan often sighed that they were getting old but still had no home to which to return even if they wanted, he said: "Why should they say such a thing? We all are Chinese, and mainland China is our home. We warmly welcome your return." What earnestness, what reasonableness! Today the concept of "one country, two systems" put forward by the CPC Central Committee and Comrade Deng Xiaoping is the best plan for achieving national reunification, the reunion of flesh and blood, and unity, as well as for rejuvenating China. Taiwan's separation from the mainland is a tragedy resulting from foreign aggression and civil wars. It is also a misfortune of the Chinese people. Peaceful reunification of our motherland is the common aspiration of the people living on both sides of the strait, and we have exerted great efforts -- and will continue to do so -- to fulfill this aspiration. Today when we commemorate Gen Fu Zuoyi and recall his wishes, we want to send these words to the Taiwan authorities, personages of all circles, and Ge Fu Zuoyi's old friends in Taiwan: You should put the national cause above everything else, relinquish the old grudges, and join us to accomplish the great cause of national reunification in order to win glory for our ancestors, benefit our offspring, and write a new chapter in the brilliant history of the Chinese people. Let us join hands and work hard together!

COMMENTATOR URGES BUILDING SPIRITUAL CIVILIZATION

OW300645 Beijing XINHUA Domestic Service in Chinese 0933 GMT 27 Jun 85

[XINHUA commentator: "The Lesson of the Beijing Dongjiao Railway Station's Rough Loading and Unloading"]

[Excerpts] Beijing, 27 Jun (XINHUA) -- Since the mass media openly criticized the incident involving the Beijing Dongjiao railway station's rough unloading of refrigerators, various public quarters have expressed shock and indignation. Some demand disciplinary action and economic sanction against those who are responsible for the incident, while more people are still pondering: Why, shortly after the great publicity to the punishment for Shuangchengbao railway station's rough loading and unloading of refrigerators, did a similar incident occur? What lesson should be drawn from the incident?

For some time, we have attached a relatively great importance to the principles of material incentive and to each according to his work in economic affairs. This is entirely necessary because the principles have played an effective role in firing the enthusiasm of laboring people, and we should continue to do a good job in this respect in the future. However, we should note that some localities, departments, and units have slackened their efforts at or neglected the building of socialist spiritual civilization. At present, the idea of "putting money above all else" is spreading among some cadres and staff members and workers, while the concept of serving and holding one responsible for the people is fading away. The series of incidents of rough loading and unloading indicates a trend showing that we should no longer tolerate the negligence some units have shown in building spiritual civilization.

In an interview with RENMIN RIBAO and XINHUA reporters, a responsible person of the Ministry of Railways said: In handling the incident, we should not view the case as it stands, but should draw a lesson that building of the style of serving the people is an important task of the Railway Department from now on. The ministry called a telephone conference on 26 June, at which a decision was made to conduct a general inspection of the style of railway stations from July through September.

It should be pointed out that the meaning of the principal lesson from the Beijing Dongjiao railway station's rough loading and unloading is not limited to the station or the entire Railway Department alone. It should also be used as a reference for all material production departments.



CENTRAL DISCIPLINE COMMISSION ON PARTY STYLE

OW301049 Beijing XINHUA Domestic Service in Chinese 1303 GMT 28 Jun 85

[Text] Beijing, 28 Jun (XINHUA) -- The Central Discipline Inspection Commission added a comment on the experience of the party committee of the Jiangnan Petroleum Administration Bureau introduced at the national conference for the exchange of experiences in rectifying party style. The comment reads in full as follows:

Comment from the Central Discipline Inspection Commission: The experience of the party committee of the Jiangnan Petroleum Administration Bureau in stressing education in party spirit introduced at the national conference for the exchanging experience in rectifying party style is worthy of studying and giving it wide publicity.

In carrying out education in party spirit, this bureau's party committee has adopted various forms for flexibly promoting education and helping party members improve their political qualities in close connection with the party's central task and the actual thinking in the minds of the party members. By doing so, it was able to correct the unhealthy tendencies in time. Even more commendable is the fact that it was able to solve, at the incipient stage, any problem that might crop up.

Education in party spirit is the foundation for strengthening party building and an important task in rectifying party style. Only when party members have strong party spirit, will their party style be correct. Facts have proven that when unhealthy trends prevail, many party members, including some veteran party members, are drawn into a whirlpool of unhealthy trends. They even act against state laws and discipline. This is mainly attributable to their weak party spirit. This merits our sharp vigilance. In carrying out education in party spirit, we must mainly carry out education in communist ideals among party members and teach them to set store by the cause of the party and the people, take the situation as a whole into consideration, strictly observe discipline, work selflessly in the public interest, seek no private gains, and wholeheartedly serve the people.

To carry out education in party spirit is a long-term task of the party. Right now, it has already aroused the attention of many party organizations. The Jiangnan Petroleum Administration Bureau's party committee has won initial success in this regard. The party committees at all levels must learn from this experience, adopt various methods to strengthen education among party members in party spirit in close connection with the current situation and task so as to raise party members' awareness in communism and help them play their vanguard and exemplary role well in reforming the economic structure and developing the four modernizations program.

RENMIN RIBAO PRAISES JIANGNAN SHIPYARD'S STYLE

HK280501 Beijing RENMIN RIBAO in Chinese 25 Jun 85 p 1

[Article by reporter Wang Zheng and correspondent Pi Shuyi: "The Style of the Jiangnan Shipyard"]

[Text] In the early 1960's when the national economy encountered serious difficulties, workers at the Jiangnan Shipyard in Shanghai, cherishing a firm resolution to win honor for the motherland, succeeded in making a 12,000-ton hydraulic press by means of "gnawing at a big bone like ants." The huge and sophisticated machine was urgently needed by the state at that time, and the success of making such a machine marked a major contribution made by the shipyard to the development of the machine-building industry in our country. Later the Jiangnan Shipyard's eagerness to meet the needs of the state was hailed as the "Jiangnan style."



Under the new situation in the 1980's, as enterprises are being given greater decision-making power and are allowed to take the initiative in enlivening the economy, the "Jiangnan style" continues to be carried forward at the Jiangnan Shipyard.

Since assuming greater decision-making power in its production, the Jiangnan Shipyard has continued to place the interests of the state in the primary position. When arranging production, it gives priority to the needs of the state and tries by all means to make greater contributions to the state. As the four modernizations require more foreign exchange, the shipyard makes efforts to produce more ships for export, which has earned large amounts of foreign exchange for the state. The shipyard also voluntarily commits itself to the production of large-scale equipment for state key projects. For example, it has made a huge sluice gate -- the largest one in our country, which is 34 meters high and weighs 1,800 tons -- for the Gezhouba Dam on the Chang Jiang; a 200-meter-high iron smokestack -- the tallest one in our country -- for the Baoshan iron and steel complex in Shanghai; and a huge tunneling machine with a diameter of 11.3 meters for the second underwater tunnel project under the Huangpu Jiang. This tunneling machine is being used day and night on the riverbed. It is one of the three tunneling machines with a diameter greater than 11 meters in the world so far.

The Jiangnan Shipyard is one of the oldest industrial enterprises in our country. June 3 this year was the 120th anniversary of its founding. The shipyard's precursor was the Jiangnan machine-building company established in 1865 during the "Westernization movement." After liberation, the factory was developed into one of the largest ship building enterprises in our country. From the factory's history in the pre-liberation period, which was full of twists and turns, and from its rapid development after liberation, the workers at this shipyard deeply feel that the Jiangnan Shipyard would never have made today's achievements if there is no socialist system. They regard the making of further contributions to the state as their glorious responsibility. To achieve this purpose, they fear no hardship and difficulty and dare to undertake all arduous tasks.

High quality is required in the building of ships for export. In the initial stage of producing such ships, sections of a hull were examined by a Japanese technologist and more than 300 faults were found on a single hull section and were marked with white circles by the Japanese expert. These white circles badly upset the workers. In order to put China-made ships on international markets and to earn more foreign exchange for the state, the Jiangnan Shipyard started a drive to enhance product quality. The factory carried out technological transformations and adopted strict measures for quality control. Workers all worked hard to improve their welding skills and the quality of hull sections obviously improved. Since 1980, the 712 hull sections made for 13 ships for export all passed the first quality examination. The 27,000-ton freighter Shihu built for Mr Bao Yugang, a shipping magnate from Hong Kong, won a gold medal from the state. Mr. Bao Yugang commented that China's shipyards have the ability to build the world's first-rate ships.

An enterprise must give consideration to its economic efficiency. The Jiangnan Shipyard not only gives consideration to the social economic results as a whole when arranging its production. It always actively undertakes and fulfills all tasks which are required by the society no matter whether the tasks are more or less profitable.

Last September, the task of making an 11.3-meter huge tunneling machine was assigned to the Jiangnan Shipyard, which was required to complete the machine by the end of November. That was a crucial period for the building of some ships, and there was a shortage of manpower on the building berths.

In addition, the making of the tunneling machine was not very profitable. However, the shipyard held that it was more important to benefit the Shanghai people and that the building of an underwater tunnel across the Huangpu Jiang would bring about greater socioeconomic results, and it assigned the best technicians and workers for the building of the tunneling machine. The 640-ton giant machine was completed in less than 3 months and the process of the tunnel project was ensured.

As the biggest and oldest enterprise in China's ship building industry, the Jiangnan Shipyard always takes the overall interests into account and warmly helps other factories develop production. In the course of carrying out technical cooperation with other factories, the Jiangnan Shipyard not only adheres to the principle of equality and mutual benefit, but also renders disinterested assistance. This adds new content to the "Jiangnan style."

The Mawei Shipyard in Fujian is also an old factory which was set up just 1 year later than the Jiangnan Shipyard, but its technological level is much lower than that of Jiangnan. Previously, Mawei could only build ships below the 3,000-ton class. Before 1983, it incurred losses year after year because of poor management. In 1983, the Mawei Shipyard began to build a 5,000-ton cargo ship named Gaishan, and encountered many difficulties. The Jiangnan Shipyard promptly offered assistance to Mawei and sent more than 2000 crack technicians to Mawei to help solve technical problems there. This ensured the smooth completion of Gaishan, which was launched successfully. This enabled the Mawei Shipyard to reduce losses by hundreds of thousands of yuan that year, but the Jiangnan Shipyard only charged a modest service fee. Xiang Nan, first secretary of the Fujian Provincial CPC Committee, acclaimed Jiangnan's action as disinterested assistance. In 1984, the Jiangnan Shipyard continued to send a number of management cadres to help the Mawei Shipyard enhance its management level, and Mawei eventually became a profit-making enterprise which gained 900,000 yuan of profits that year. This year, more than 20 cadres from the Jiangnan Shipyard are continuing to work with the Mawei Shipyard, which now has acquired the ability to build 5,000-ton-class ships and has begun to build ships for export.

Last year, a trend to issue lavish bonuses prevailed in society. Some comrades at the Jiangnan Shipyard also considered whether more bonuses should be issued to the workers or not. The factory leaders finally concluded that an increase in bonuses would be beyond the financial capacity of the factory and the only way to do this was to expend more state funds by concocting various pretexts, but the Jiangnan Shipyard would not do such things. The leaders then explained this to the workers, and the factory did not follow the evil trend to issue excessive bonuses.

The "Jiangnan style" is derived from the glorious traditions of the workers at this shipyard, from their sense of responsibility and their class consciousness, and from their love for the socialist motherland. Factory Director Zhao Fusheng is right in saying that "our factory is a state-owned socialist enterprise and we must never forget the interests of the state at any time."

#### Commentator's Article

HK280507 Beijing RENMIN RIBAO in Chinese 25 Jun 85 p 1

[Commentator's article: "Brotherly Cooperation Leads a Family to Prosperity"]

[Text] If brothers in a family help each other, the family will certainly prosper.

In the big family of our socialist motherland, enterprises should closely cooperate with each other and offer assistance to each other like brothers, and this will certainly promote our great modernization cause.

Since the founding of the PRC, we have gradually established a rather integrated industrial system. Many enterprises have good equipment and strong technical forces and have a good command of advanced technologies and management methods. Big brothers like the Jiangnan Shipyard should actively help other younger ones, and technical cooperation between enterprises should be fully developed. This will bring the advantages of the backbone enterprises into full play, will rapidly and directly transfer their advanced technologies and management skills to other enterprises, and will thus promote the development of all enterprises and improve the overall economic results of our society as a whole. Technical cooperation between the enterprises does not require foreign exchange and state investment, but it will achieve quick and marked results. Thus it is a major efficient way to speed up the technological progress in our enterprises.

It is necessary to import advanced technology from abroad in order to speed up our enterprises' technological progress, and we should continue to make efforts to do things in this regard. However, we cannot direct our eyes merely toward other countries and neglect the importance of technical exchanges between enterprises in our country. As some domestic enterprises possess the required technology and have the ability to settle some technological problems, why should we still use our foreign exchange reserves to buy foreign things and why should we seek far and wide for what lies close at hand? We should adopt a two-track course. While selectively importing advanced technology from abroad for some key projects, we should fully tap our own potential in the advanced domestic enterprises and should properly develop technical cooperation between enterprises.

In order to develop technical cooperation between enterprises, we must first remove the barriers between different departments and between different localities. No matter which department or locality an enterprise belongs to, it should first be regarded as a member of the big socialist family of our motherland. Enterprises in different localities, in different departments, in the military industry and the civilian industry should give technical assistance to each other and should seek common development. Technical exchanges between enterprises are mutually beneficial. The younger brothers can learn from others' strong points and scale a higher technological level by making use of the others' ladder. The big brothers can also promote their own development and make progress in the course of technical cooperation.

Technical cooperation between enterprises should be based on equality and mutual benefit. The handling of commodity production can never deviate from this principle. However, we should also display a selfish style. Socialist enterprises should always take the overall interests of the state into consideration and should not be preoccupied with their own gains and losses for a time. The "Jiangnan style" is valuable because it sets a good example for all our enterprises.



MINISTRY STEPS UP EFFORTS TO BEAT WATER SHORTAGE

HK280452 Beijing CHINA DAILY in English 28 Jun 85 p 1

[By Staff reporter Chen Guanfeng]

[Text] China is accelerating efforts to beat the country's acute water shortage, which has become a severe hindrance to the development of the national economy, a senior official of the Ministry of Water Conservancy and Electric Power said on Tuesday.

Water shortage is now afflicting nearly 200 Chinese cities, including Beijing, Tianjin, Guangzhou, Shengyang, Zhengzhou, Shijiazhuang and almost all the open coastal cities, said Yang Zhenhuai, vice-minister of Water Conservancy and Electric Power.

Water shortage almost always brings about heavy damage to the country's economic development, Yang said. In Tianjin, a 9-month-long water shortage cost the municipality a loss of 10 billion yuan in industrial production.

According to projections, the demand for water in China's urban areas will more than double from 57.2 billion cubic metres at present to 130 billion cubic metres by the year 2000. To solve this problem, Yang said, "it is absolutely necessary to take legislative, economic, and technical as well as environmental measures."

The efforts include second-phase construction of a project for piping water from the Dongjiang River in Guangdong Province to Hong Kong. When completed this year, water supply from the mainland to Hong Kong will be nearly doubled from about 160 million cubic metres a year to more than 300 million cubic metres.

Other projects now under consideration include using aqueducts and pumps to take water from the Yellow River to Qingdao City in Shandong Province and to Shanxi Province, and from the Yangtze River at a point in Jiangsu Province across the Yellow River to Tianjin; building a large reservoir in south Liaoning Province; and building waste water disposal works in major industrial cities.

Meanwhile, a water resource protection bureau has been set up for each of the country's seven major rivers -- The Yangtze, the Yellow, the Huai, the Hai, the Songhua Jiang, the Liao and the Zhujiang. These rivers provide water for 80 percent of the country's population and 70 percent of its industrial production. A national leading body has been set up to provide overall supervision and guidance for exploring and exploiting the country's limited water resources; a water law is being drawn up, and a national survey of water resources is in full swing.

"Water is not only a necessity for human existence and social activities, but also an important factor for maintaining social order," Yang told CHINA DAILY. "That is why we have paid, and will continue to pay, equal if not greater attention to ensuring a stable water supply as we give to energy and transport projects," Yang said in an interview.

He said the government has devoted great efforts to solve this problem in the past 35 years. The capacity of reservoirs alone amounts to more than 400 billion cubic metres. Special attention has been paid to guaranteeing the water supply in remote, mountainous and pasture areas as well as offshore islands. More than 40 million people and 25 million animals in these areas now have a stable water supply, Yang said.

The newly completed project channeling water from the Luan River to Tianjin, he said, is clear evidence of the government's determined efforts to improve the country's water supply.



Yang attributed the country's water shortage to its limited water resources, water wastage, pollution of water resources and rapid development of industrial projects. Pollution is rapidly damaging the country's relatively limited water resources. Statistics show that more than 70 million tons of waste and polluted water are produced in the country each day. Most of it flows directly into rivers and lakes.

As the country's industrialization proceeds, demand for water for industrial purposes is growing rapidly. In Shanxi Province alone, about 3 billion cubic metres of additional water must be supplied each year in the coming 15 years if it is to promote its coal production to 300 million tons a year, increase the capacity of its thermal power plants to 20 million kilowatts and to develop other industries.

Yang said a national conference has been scheduled for the latter half of this year to work out strategic policies on water exploration in the north part of the country and the open coastal cities.

#### RENMIN RIBAO ON POTENTIAL OF TECHNOLOGY FAIRS

HK280821 Beijing RENMIN RIBAO in Chinese 19 Jun 85 p 5

[Report by reporter Li Kefu: "Tap Greater Potential -- Notes on the Enlightenment Gained from the First National Technological Achievement Fair" -- capitalized passage published in boldface]

[Text] The first national technological achievement fair, which lasted 25 days, ended amid applause. Its success did not lie in the material achievements of the fair alone. What was important was that it eloquently proved with the unprecedentedly vast scale of the technology market that by promoting the activities of technology market, we can improve the situation in the long-term separation between production and technology, and the operation and mechanisms of the economic and technological system in our country. It is a new way of enhancing productive forces. Just as Premier Zhao Ziyang pointed out when he was inspecting the fair: "With a form and in places such as the technology market, we can tap the potential of production units and research units." Such an exceptionally grand fair showed the exuberant vitality and broad prospects of technology markets, and gave people some fine enlightenment.

#### Technology Is Mainly and Powerfully Crossing the "Bridge"

Technology markets are bridges linking research units, which provide technology, with production units which need technology. There was an unprecedentedly great number of units which intended to sell their technology at the fair. There were transactions groups sent by 49 ministries, commissions, bureaus, or general companies at the central level. In addition, 29 provinces, municipalities and autonomous regions except Taiwan Province also sent transaction groups to the fair. The sponsoring unit provided a main assembly hall and five other smaller meeting places with an area of 40,000 square meters for more than 3,000 units which displayed 20,000 technological achievement items or so. Many scientific and technological units felt very sorry because they could not display their achievements at the fair.

Among the 78 transaction groups, some of them were sent by local research units and the PLA research units, which were located in the coastal areas, areas opening up to the outside world, the interior and outlying districts. Some participating units were units under ownership by the whole people. Some were collective units. Some others were units organized by individual scientific and technical workers.

Jingxi Chemical Engineering Research Institute run by the people in Hangzhou only employs around 30 permanent staffers. But it succeeded in concluding transactions of more than 2 million yuan. Individual scientific and technical workers displayed a total of 340 items of scientific and technological achievement or so, and signed 65 contracts valued at more than 1 million yuan. The technology market truly removed the barriers existing between different departments or regions, between PLA and civilian units, and between units with different systems of ownership. It was a unified and free technological market. On this market, each and every unit or individual could participate on an equal footing in the competition with their own technological strength. It is expected that the activities of various kinds of technological markets, which are either national or regional, and comprehensive or more professional, will be carried out continuously, and become more active.

What Did the Fact That Those "Inconspicuous" Technological Items Were Welcomed by Users Mean?

After "swallowing and spitting out" each transaction, computers provided people with the following information: The medium and small-sized enterprises were the largest buyers, and their volume of transactions accounted for 60.5 percent of the total volume of transactions of the fair.

According to statistical data provided by the computers, transaction volume of light industrial technical items accounted for 19.3 percent of the total transaction volume, food processing items accounted for 12.6 percent, building materials items accounted for 10.6 percent, petrochemical items accounted for 7.2 percent, mechanical items accounted for 19.9 percent, and electronics items accounted for 18.8 percent. The transaction volume of technology for producing diamino acid was 100 million yuan. Production technology for extracting marble, and producing cement, building materials, thermal insulation materials, waterproof materials, and chemical products for daily use, and for processing agricultural and sideline products became "goods in great demand." Some "inconspicuous" technology, which did not need large investment, was truly useful. Technology for producing "electronic detectors for babies' bed-wetting" only needed an investment of 200 yuan. Technical equipment for producing vacuum cleaners only sold at 7,000 yuan, and the capital outlay can be recouped one month after the plant goes into operation. Production technology for producing "carrot jam and tangerine skin jam" was widely applicable. Building a jam factory with a production capacity of 1 ton per work shift [ban chan 3803 3934 only requires an investment of 30,000 yuan in facilities....

The reason these technical items, which are "in great demand, and only need moderate investment with a quick return," are welcomed by users is that they can satisfy the actual production needs of medium and small-sized enterprises in the urban and rural areas in our country. The technical set-ups of most of these enterprises belong to medium or lower grades. Therefore, some technology which is not too complicated and requires little investment in funds and skills is economically more useful to them.

This fact has told the broad masses of scientific and technological workers: Technological achievements should also be marketable. They should decide their scientific research items according to market demand, and exert their efforts to provide users with advanced and suitable technology.

### The "Appetite" of Buyers and Sellers Was Getting Stronger and Stronger

During the fair, we also discovered the trend whereby that various localities needed some intermediate and advanced technology.

SOME IMPORTANT ITEMS COVERED BY REGIONAL PLANNING NEED TECHNOLOGY SUPPLIED BY TECHNOLOGICAL MARKETS. These items covered the field of capital construction, technical reform of enterprises, key tasks of tackling technical problems, and so forth. The following transactions were concluded at the fair: 22 items valued at more than 10 million yuan each, and 134 items valued at 1 million yuan each. They accounted for 88 percent of the total volume of transactions. Most of these items were covered by regional planning. For example, the applied remote sensing institute under the Chinese Academy of Sciences reached an agreement with Xizang on using advanced remote sensing technology to prospect land and mineral resources of the entire region within 5 years. The power construction institute under the Ministry of Water Resources and Electric Power reached an agreement with Fujian on "reforming and improving technology and electric power supply facilities for the Xiamen area." It is expected that the construction of the power network in Xiamen City will reach the most advanced level of free ports in the world by the year 2,000.

### BUYERS NEEDED COMPLETE SETS OF TECHNOLOGY AND CONTRACTED FOR ENTIRE PROJECTS.

As requested by the buyers, the building, waterproofing, and thermal insulation material technological development company in Beijing undertook projects valued at more than 100 million yuan concerning the supply of 6 complete sets of technology for producing 27 kinds of products. The Ministry of Light Industry organized the departments and sections concerned to enhance their production capability so that they would be able to undertake complete projects. They undertook 55 projects valued at more than 1 million yuan each and 21 projects valued at more than 10 million yuan each.

A NUMBER OF UNITS WHICH HAD INTENDED TO IMPORT TECHNOLOGY FROM FOREIGN COUNTRIES CHANGED THEIR MINDS TO SEEK SUPPLIERS OF TECHNOLOGY THEY NEEDED AT HOME. Beijing Municipality invited tenders for 130 technical items which it had originally intended to import from foreign countries. Among them, 59 items were already discussed with the units concerned. A sweet chrysanthemum food products factory in Liaoning gave up its plan of "importing technology from foreign countries," and reached an agreement with Nankai University on Technological transfer.

Seeing the great demand for practical technologies is very gratifying. However, this does not mean that we can give up our efforts to carry out our research on fundamental items and other important scientific research items. With the development of economic construction and technical progress in the enterprises, more advanced technology will be inevitably needed. Scientific and technical circles should satisfy the present needs, intergrate technology which is "in great demand and only needs moderate investment for quick returns" with technology of "high grade, precision and of an advanced level," increase the variety of technological achievements, and enhance their quality. Only thus can they use technical achievements to promote the development of the productive forces.

### YANG SHANGKUN, YANG DEZHI MEET SHANDONG VETERANS

OW291033 Beijing XINHUA Domestic Service in Chinese 1631 GMT 28 Jun 85

[Excerpts] Beijing, 28 Jun (XINHUA) -- Yang Shangkun and Yang Dezhi, responsible persons of the Central Military Commission, today called on 10 anti-Japanese war militia heroes, and encouraged them to conduct vivid education in patriotism among youngsters, by applying their personal experience.



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The 10 noted militia heroes had gathered in Beijing to mark the 40th anniversary of the victory of the war of resistance against Japan.

Yang Shangkun and Yang Dezhi were very happy to meet the heroes. Yang Shangkun said: You are veteran heroes, who have rendered meritorious service and made contributions to the country. We all respect you. As present-day young people can hardly understand what you have gone through, you should constantly tell them about your arduous efforts in defending the country. He said: To foster ideals, it won't do if you make only empty promises without action. You should conduct education in patriotism among young people, by citing your personal experiences.

Yang Shangkun and Yang Dezhi had a cordial and unconstrained conversation about daily life with these heroes, who are still active at the grass-roots units. After hearing that their living standard has improved considerably in recent years, Yang Shangkun said: In the past, you were fighting heroes, but now you should devote yourselves to national construction by displaying a hardworking spirit. Our party's current central work is economic development. Our government has decided to reduce the Armed Forces by 1 million men, in order to concentrate on national construction. When the whole country has become rich, it will be easy to upgrade Army building. When you go back to your units, you should do more work in publicizing the importance of developing production.

Yang Dezhi, who had served as commander of the Jinan Military Region for many years, cordially told Yu Huahu, Zhao Shoufu, Li Yong, and Sun Yumin who had come from Shandong: We have met many times in the past. I hope you, veteran heroes, make new contributions to the socialist modernization program.

#### CHEN MUHUA AT CUSTOMS ASSOCIATION INAUGURATION

OW300743 Beijing XINHUA in English 0709 GMT 30 Jun 85

[Text] Beijing, June 30 (XINHUA) -- A society on researching customs theory and practical questions was set up here today.

The Beijing-based China Customs Association will study the questions arising from the customs work since China pursued the policy of reforming its economic structure internally and opening to the outside world externally some years ago. It will also compile the national and local customs history, provide consulting services and engage in exchanges with foreign and international customs organizations.

The association will set up its branches in Tianjin, Shanghai, Guangdong and other cities and provinces. State Councillor Chen Muhua and other high-ranking officials were present at the inauguration ceremony today.

GUANGDONG CIRCULAR ON PRODUCTION, SALE OF GOLD

HK280341 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 27 Jun 85

[Text] The provincial people's government recently issued a circular, demanding that government at all levels strengthen control over the production of gold and resolutely crack down on the sale and smuggling of gold.

The circular says: The gold resources belong to the state. The extraction, production, and procurement of gold must be controlled by the appropriate departments. The department in charge of extraction and production is the provincial gold company. The department in charge of the procurement of gold is the Guangdong branch of the People's Bank of China. All gold mines included in the state plan for exploitation and the mines whose geological prospecting is being carried out must be subordinate to the state's unified arrangements. No units and individuals are allowed to extract gold. All units and people who engage in small-scale extraction of gold must apply to the gold production and management department at the county level for extraction permits. On the issue of the permits, they must be registered with the county and city industrial and commercial administrative organs in their localities and will be issued business licenses before they can begin extraction. The gold produced by all units and individuals must be sold to their local branches of the People's Bank of China and they are not allowed to retain it themselves for their own use or to sell it illegally.

The circular also provides: It is necessary to resolutely crack down on the peddling or smuggling of gold. Those who are guilty of peddling or smuggling gold must be investigated by the public security, industrial and commercial, and customs departments in accordance with their duties and must be dealt with in accordance with the regulations. The Public Security Department must take lead in organizing forces to investigate and crack serious cases of smuggling gold, which must be punished according to the law. Those who act as brokers for peddlers of gold or illegally hide gold and offenders must be investigated and held accountable.

GUANGXI CIRCULAR ON REDUCING, WAIVING AGRICULTURAL TAX

HK280343 Nanning Guangxi Regional Service in Mandarin 1130 GMT 27 Jun 85

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee, the rural situation in our region has become better and better. However, due to different natural conditions, different foundations of work and different situations in implementing policies, the rural economy has not developed evenly. Some places, the majority of which are places where minority nationalities live in compact communities or are old revolutionary bases, have still not been lifted out of poverty. The masses' problems of clothing and food have not been completely solved.

With a view to helping these places improve their conditions for production, enhance their ability for production, and catch up with the economic development throughout the region, the regional people's government recently issued a circular on reducing or waiving agricultural tax in poor places.

The circular provides: The reduction or waiving of the agricultural tax in poor places will be carried out with the household as the unit. The agricultural tax of poor peasant households in 254 townships and towns in poor places whose per capita cash income in a normal year is under 100 yuan can be waived for 5 years, and for poor peasant households whose per capita income is under 120 yuan, it can be waived for 3 years. The agricultural tax of poor peasant households in other places whose per capita cash income is under 100 yuan can be waived for 1 year, and this will be reviewed annually.

The real situation must first be investigated by the places themselves, reported by the masses, examined and verified by the township and town people's governments, and then reported to the county, autonomous county, and city people's governments for approval.

NANNING CANCELS LICENSES OF PARTY, GOVERNMENT-RUN BUSINESSES

HK250631 Beijing ZHONGGUO XINWEN SHE in Chinese 1446 GMT 24 Jun 85

[Text] Nanning, 24 Jun (ZHONGGUO XINWEN SHE) -- The business licenses of 22 trading companies run by the party and government organizations of Nanning City, Guangxi were recently cancelled by the Nanning Industry and Commerce Administration Bureau.

These companies mainly participated in commerce and trade, but they were also involved in other fields in order to plan for the welfare of the organs. Some leading cadres even took part in management. Some companies sought private gain by taking advantage of the power they held, by misappropriating public funds for their capital. They sold at high prices the commodities allotted to them by the national plan, reaping great profit. Some of them jacked up the prices of cars and color television sets. The Nanning CPC Discipline Inspection Department and the Industry and Commerce Administration Bureau under the city government have jointly weeded out the companies and enterprises run by party and government organs. They have taken disciplinary action against those party and government cadres who sought personal gain by taking advantage of their positions.

The responsible person concerned of the Nanning Industry and Commerce Administration Bureau told this reporter that the removal of these 22 companies run by party and government organs is aimed at preventing the cadres from seeking personal gain by taking advantage of their positions. The stores opened by state organs for the temporary employment of young people may continue operation. However, cadres should not interfere with the finances and goods of these stores. Nanning will support individuals, collectives, and state-run enterprises in opening companies. Besides issuing licenses to them, industrial and commercial departments will provide them with trade sites. In 1985, over 1,000 companies and enterprises have registered to operate in Nanning.

HUBEI RADIO COMMENTARY ON IMPROVING SOCIAL ORDER

HK281521 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 27 Jun 85

[Station commentary: "Comprehensive Management Is a Cause of the Whole Party and the Whole Society"]

[Text] The CPC Central Committee has recently and clearly pointed out: To ensure a basic improvement in social order, it is necessary to carry out comprehensive management. It has emphasized many times that this is a cause of the whole party and the whole society. Comprehensive management must be carried out under the unified leadership of CPC committees and the government.

However, leading comrades of some of our departments or units have not yet understood this. In their opinion, it seems that comprehensive management is a matter of the public security and political and legal departments and is not included on their agenda. These comrades have not sufficiently understood that the problems of social order are caused by many factors. Crime is a complicated social phenomenon and is affected by various social conditions such as political, economic, ideological, and cultural conditions. The rising, changes, and consequences of various problems of social order, including crimes, are complicated. Various social forces and comprehensive management must be relied on to solve these problems.



The leading comrades of all our fronts, departments, and quarters, such as propaganda, education, administrative, and management departments; trade unions, CYL committees, women's federation; and economic and people's Armed Forces departments, must attach great ideological importance to comprehensive management, regard it as their own task, and place it in an important position.

The aim of comprehensive management is to prevent and reduce the number of crimes. If we do not greatly enhance people's concept of the legal system, it will be impossible to achieve the basic improvement of social order and the general mood of society. A fairly large number of criminals have now violated the law but do not know the laws and have committed crimes but do not know the crimes. Therefore, popularizing the general legal knowledge and strengthening people's concept of the legal system is a basic measure for comprehensive management and is also a current major task of leaders at all levels. Only by regularly and extensively conducting education in the legal system, popularizing general legal knowledge, making everyone know and abide by the law and strengthening their concept of the legal system can we uphold the stability of the state; guarantee the smooth progress of reform of the economic structure and the four modernizations; make organs, organizations, enterprises, institutions, individuals know that they must engage in activities within the scope permitted by the Constitution, law, and policies; correctly handle the relationship between the state, collective, and individuals and between people; establish good social morality and the good general mood of society; promptly curb the unhealthy trends and the violation of the law and discipline; avoid losses and being fooled in economic contacts with foreign countries; protect the interests of the state; uphold the dignity of the state; and ensure the long-term peace of the state. We believe that as the whole party carries out comprehensive management and all laws strike roots in hearts of the people, the continuous improvement of social order and the general mood of society in our province will be made.

#### HUNAN'S MAO ZHIYONG MEETS WITH NONPARTY FIGURES

HK281327 Changsha Hunan Provincial Service in Mandarin 1100 GMT 27 Jun 85

[Excerpts] On the eve of the third session of the sixth provincial People's Congress and the third session of the fifth provincial CPPCC, the provincial CPC Committee held a forum for nonparty figures to discuss ways of making the sessions a success.

Mao Zhiyong, secretary of the provincial CPC Committee, stressed at the forum: In order to successfully convene the third session of the sixth provincial People's Congress and the third session of the fifth provincial CPPCC, we should mobilize the province's population, as well as people from all walks of life, to do a good job in reform and economic construction; and to expedite the building of Hunan. This is because work is very important for promoting the sessions.

Comrade Mao Zhiyong said: Whenever there is an important issue concerning the party and the state, the party exchanges views and holds discussions with leaders of the democratic parties and the Federation of Industry and Commerce, as well as representatives from other areas. This is the party's glorious tradition as well as a good system. Provided that we frequently and promptly exchange views with representatives of various nonparty areas on major problems concerning the party's and government's principles and policies, personnel changes, drafting of plans, the four modernizations and the reunification of the motherland, everyone can keep abreast of the situation and make an effort to promote the work.

He said: In connection with the spirit of the central authorities' instructions, and in light of the province's actual conditions, the provincial CPC Committee Standing Committee has proposed suggestions on readjusting the leading groups of the provincial People's Congress, the provincial government, and the provincial CPPCC. The committee has also discussed the matter with comrades. It will now deliver the matter to the sessions for discussion and concurrence.

In the conclusion, he said: The economic construction and the development of various undertakings in the province are inseparable from the support of the participating comrades and the masses with whom you have contact. It is hoped that everyone will, as in the past, be united, vigorously carry out reforms, make a concerted effort in the four modernizations, and strive to create a new situation in the province's socialist modernization.

Cheng Xingling, chairman of the provincial CPPCC, and responsible persons of democratic parties and the Federation of Industry and Commerce spoke at the forum.

The forum was attended by Liu Fusheng, deputy secretary of the provincial CPC Committee; (Sun Wensheng), Standing Committee member of the provincial CPC Committee; and Tong Ying, vice chairman of the provincial CPPCC and director of United Front Work Department of the Provincial CPC Committee. Also present were 25 responsible persons of the province's democratic parties and the Federation of Industry and Commerce.

SICHUAN CPC COMMITTEE STRESSES PARTY SPIRIT

HK280345 Chengdu Sichuan Provincial Service in Mandarin 00300 GMT 27 Jun 85

[Text] The provincial CPC Committee has recently decided that on the occasion of marking the 64th anniversary of the founding of the CPC, it plans to conscientiously educate the party members throughout the province in party spirit, ideals and discipline.

The committee urged party organizations at all levels to adopt such methods as running party classes, holding report meetings and forums, and organizing regular activities. The party organizations should organize party members to study the party Constitution, and relevant parts of the party's decision on party rectification, as well as some important remarks of leading central comrades. They should organize them to discuss and firmly establish the lofty communist goals, and to strengthen their party spirit and concept of discipline, so as to kindle their enthusiasm for communism and devote themselves to the four modernizations.

Before 1 July, party-member cadres of leading groups of the departments, committees and bureaus directly under the provincial authorities should organize regular activities at least once to conduct criticism and self-criticism, examine the situation of consolidating and developing results after the party rectification, and study measures for further strengthening the building of the leading groups and boosting party spirit.

Leaders of the provincial CPC Committee and the provincial government should let party members and cadres of organs directly under them know constantly the current situation. The press and radio and television stations must conduct education in party spirit, ideals, discipline, and the situation by focusing on commemorating the party's birthday. They should mobilize the party members, as well as the nonparty masses, to make contributions for realizing the party's lofty goal put forward at the 12th party congress.

XIZANG PARTY INSPECTION GROUPS TO PREFECTURES

HK271231 Lhasa Xizang Regional Service in Mandarin 1130 GMT 26 Jun 85

[Text] Party rectification has basically been completed at prefectural and city level in the region and is now being carried out in all counties of Ali, Nagqu, Xigaze, and Shannan Prefectures. In order to strengthen its guidance over party rectification work in the counties, the regional CPC Committee has decided to dispatch three party rectification inspection groups to Shannan, Xigaze, and Nagqu Prefectures. It has also appointed (Xia Shiqing), CPC Committee secretary of the regional Radio and Television Bureau; (Huang Wanjun), CPC Committee deputy secretary and deputy director of the regional Finance Department; and (Chen Minghu), CPC Committee member and deputy director of the regional Reclamation Department, as the responsible persons of the three inspection groups.

The members of the three inspection groups are now studying. They will soon be dispatched to Shannan, Xigaze, and Nagqu Prefectures to carry out work.



HEBEI CONGRESS ELECTS NEW PROVINCIAL LEADERS

OW281245 Beijing XINHUA Domestic Service in Chinese 1648 GMT 26 Jun 85

[Text] Shijiazhuang, 26 Jun (XINHUA) -- The Third Session of the Sixth Hebei Provincial People's Congress ended today with the elections of Sun Guozhi [1327 0948 3113] as chairman of the Standing Committee of the Hebei Provincial People's Congress and Guo Zhi and Zhang Kerang [1728 0344 6245] as additional vice chairmen of the Standing Committee of the provincial People's Congress. It also decided to appoint Ye Liansong [0673 6647 2646] and Zhang Runshen [1728 3387 6500] as vice governors of the provincial people's government.

The session accepted the resignations, for reasons of old age, of the following: Liu Bingyan, as chairman of the Standing Committee of the provincial People's Congress, and Ge Qi, Zhao Zhuoyun, and Ding Tingxin as vice chairmen of the Standing Committee of the provincial People's Congress. At the same time, it also approved the resignations of Guo Zhi and Du Jingyi as vice governors of the provincial people's government.

Earlier, at the third meeting of the Fifth Hebei Provincial CPPCC Committee, which concluded on 23 June, Xu Chunxing [1776 4783 1840] and Du Jingyi were elected vice chairmen of the provincial CPPCC Committee. The meeting also approved the resignations, for reasons of old age, of Jia Qiyun, Lu Zhiguo, and Xu Ruilin from their posts as vice chairmen of the provincial CPPCC Committee.

NEI MONGGOL HOLDS DEMOCRACY PROMOTION MEETING

SK010153 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 30 Jun 85

[Excerpt] The first regional congress of the China Association for Promoting Democracy was held in Hohhot from 27 to 29 June. Eighty-eight representatives from cultural and publication departments, organs, and schools attended the congress.

Since its founding in August 1983, the Nei Monggol Regional Preparatory Committee of the China Association for Promoting Democracy has done much work in the fields of engaging in the state's political life; conducting democratic consultation; and organizing and encouraging members to study politics and their professions, to do their own jobs well, and to support the borderlands.

Representatives participating in the congress listened to and discussed the work report of the Nei Monggol Regional Preparatory Committee for the China Association for Promoting Democracy, studied and discussed relevant decisions and documents, and formulated principles and tasks for the future work.

Through full discussions, the congress elected the First Nei Monggol Autonomous Regional Committee of the China Association for Promoting Democracy. (Xing Qishi) was elected chairman; (Ge Xiulin), vice chairman; and (Li Xian), secretary general of the committee. Chu Zhuang, vice chairman of the Central Committee for the China Association for Promoting Democracy, attended the congress. Extending greetings to the congress were leaders of relevant regional departments, including Batubagen, Hu Zhongda, Li Shuyuan, and Liu Zhenyi. Attending the congress were responsible persons of the Propaganda Department of the regional CPC Committee, the regional Education Department, and all democratic parties. Batubagen, deputy secretary of the regional CPC Committee, delivered a speech at the opening ceremony of the congress.

HEILONGJIANG CPC ENLARGED PLENARY SESSION OPENS

SK290148 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 28 Jun 85

[Text] The fifth enlarged plenary session of the fifth provincial CPC Committee opened this morning. The session principally relayed and studied the speeches of the central leading comrades, including Hu Yaobang, made at the forum of provincial, regional and municipal responsible comrades on 21 May. In line with the guidelines of the speeches of the central leading comrades and our province's actual conditions, the session discussed specific issues for implementation. A major task of the session was to study the CPC Central Committee's decision on reform of the educational system and simultaneously formulate a resolution for implementing the decision in line with our province's actual conditions. The session will discuss and elect our province's delegates to the national party congress [quan guo dang dai biao da hui].

Li Lian, secretary of the provincial CPC Committee, presided over the session. Attending the session were 49 members and 15 alternate members of the provincial CPC Committee. Attending the session as observers were members of the provincial Advisory Commission and the provincial Discipline Inspection Commission; members of the leading party groups of the provincial People's Congress Standing Committee, the provincial government and the provincial CPPCC Committee; secretaries of the prefectural and city CPC committees; principal leading comrades of provincial-level departments; secretaries of the CPC committees of universities, colleges and cadre administrative institutions; and retired party-member cadres of provincial-level organs at and above the deputy-head level.

LIAONING CPC COMMITTEE MEETING ON PARTY RECTIFICATION

SK290923 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 28 Jun 85

[Text] The provincial CPC Committee held a telephone conference on the evening of 27 June. Li Quixian, secretary of the provincial CPC Committee, and Chen Suzhi, Standing Committee member of the provincial CPC Committee, made plans on how to consciously strengthen leadership and fulfill the party rectification work of counties and districts to high standards and with quality.

The conference pointed out: It is a wrong concept that the lower the level is the simpler the party rectification work becomes and that party rectification work at and below the county and district levels becomes simpler, and the slack mood and the unrealistically optimistic mood come from these ideas. We should enhance our understanding of the significance and steadfastness of the party rectification work of counties and districts. In conducting party rectification in counties and districts, we should not indiscriminately copy the experiences of the provincial and city organs in party rectification, but should link party rectification work with the development of the situation and the actual conditions of the counties and districts.

First of all, we should concentratedly solve problems concerning party spirit and party discipline and eliminate the unhealthy practices of cooking up a pretext for conducting reforms to seek private gain for the individuals and small groups and to fraudulently purchase and resell principal means of production and durable consumer goods in short supply to reap staggering profits, of using public funds to give dinners and presents and of seeking honor and award through fraud and deception, of taking houses in excess of one's legal entitlement and illegally building private houses, and of recruiting workers, cadres, and students and turning the rural population into a nonrural population, collective enterprises into state enterprises, and workers into cadres. We should deeply conduct education on thoroughly negating the Great Cultural Revolution; overcome factionalism and bureaucracy; correct the ideology for guiding professional work; and solve the problems concerning being slow in reacting to politics, having conservative ideas, and practicing outdated style of work.

The conference stressed: We should implement education on party spirit and party discipline in discussing special subjects at each phase of party rectification. By deeply conducting education on party spirit, we will change the situation of some party members lacking lofty communist ideals, being indifferent in party spirit, and having no strong sense of organization discipline, and basically upgrade party members' ideological and political quality in order to promote a smooth development of reforms in all fields. With regard to arranging the schedule for party rectification, we should subordinate time to work quality, but not seek uniformity in doing everything.

The conference urged all city CPC committees to tend to the system of handling the responsibility for party rectification well. Secretaries of the city CPC committees should personally engage in the work and deputy secretaries should concentrate energy on attending to the work. Standing Committee members should tend to their assigned work. Relevant departments and commissions should spend much time and energy in tending to the party rectification work on their own fronts. Leading cadres in charge of party rectification work should conscientiously tend to their work, and not take command in name only and not engage in any work.

#### SHENYANG MILITARY REGION HELPS IN NATIONAL CONSTRUCTION

OW300947 Beijing XINHUA Domestic Service in Chinese 0756 GMT 27 Jun 85

[Text] Shenyang, 27 Jun (XINHUA) -- To serve national economic construction, the Shenyang Military Region has opened to the public 145 military railroads and a number of military facilities such as warehouses, open areas, and barracks.

In recent years the Shenyang Military Region has attached importance to the task of supporting and participating in national economic construction. In the new situation in which the Army is undergoing reorganization, various departments of the military region have made overall plans and rational readjustments to further tap the potential of military facilities in order to release some unused military facilities in support of national economic construction. In 1984 the military region open 36 military railway lines to the public. More than 120 local units made use of these railways which are located in Heilongjiang, Jilin, Liaoning, and the eastern part of Nei Monggol. Annual freight handled by these lines reached more than 6.6 million tons last year. This year, the military region has again opened more than 100 military railway lines to local units. In recent years the military region has allowed 27 local units to connect local railroads with military lines. To make it easier for local units in the Shenyang, Changchun, and Harbin areas, where the hub of railway communications lines is, to use military railway lines, the military region has made overall plans to further tap potential by carefully calculating the quantity of military materials to be transported and the number of military lines to be used. Due to congestion at the Harbin railway freight yard, some local units were compelled to load or unload their goods at small stations scores of kilometers from the city. This not only increased the volume of freight by road but also increased the proportion of damaged goods. A department concerned of the Shenyang Military Region helped alleviate the congestion situation by opening an airfield military railway line to the public and by permitting the use of more than 50,000 square meters of open area as a freight yard.

The Shenyang Military Region also dispatched trucks to take part in transportation. It helped the localities transport goods by making use of a drivers training program or making use of empty military trucks returning to barracks. According to statistics, in the past 2 years the military region dispatched various types of vehicles to make more than 34,500 runs for the localities. The total transport mileage exceeded 2.66 million km.



GANSU OFFICIAL URGES IMPROVEMENT OF BUILDING INDUSTRY

HK281343 Lanzhou Gansu Provincial Service in Mandarin 2300 GMT 27 Jun 85

[Text] In a recent interview with a station reporter, a responsible comrade of the provincial Urban and Rural Construction and Environmental Protection Department, pointed out that it is necessary to improve management and technical qualities in building enterprises as soon as possible and to ensure good quality in projects in the building industry.

In our province, the building industry has carried out enterprise reform very early and has developed rapidly in this respect. Particularly since the reform of the public bidding system and the contract system in building projects last year, the province's building industry has continuously raised its economic efficiency. In the first 4 months of this year alone, the province completed capital construction projects involving an investment of more than 170 million yuan, an increase of 19.9 per cent over the same period last year.

However, along with continuous expansion of the building industry, many new problems have arisen in the design and construction of various projects, particularly in enterprises at the prefectural and county level. Because these enterprises do not have sufficient funds and technology, they are in an unfavorable position in competition. Some construction teams and individuals have contracted for large projects regardless of their own abilities in design and construction, thus resulting in inferior projects.

In view of the above problems, the comrade of the provincial Urban and Rural Construction and Environmental Protection Department told the reporter that in order to consolidate the achievements made in the reforms, to enhance the reputation of building enterprises, and to make them more competitive, it is necessary, in the future, to mainly grasp the development of building enterprises, to upgrade the quality of the staff and workers in building enterprises, and to carry out various combinations so that the technology, information, and talented people of large enterprises can be shifted to prefecture-run, county-run, town-run and township-run enterprises. In the meantime, it is necessary to establish as soon as possible corresponding management organs to bring into full play the supervisory role of government and to conduct trade management. All localities have now set up various quality control organs. These organs have played their role.

The provincial authorities have decided to conduct a serious examination and appraisal in the second half of this year and to seriously deal with major cases of inferior quality.

QINGHAI RELAXES SEED, GRAIN PURCHASES

HK281251 Xining Qinghai Provincial Service in Mandarin 1100 GMT 27 Jun 85

[Summary] According to QINGHAI RIBAO, the provincial agricultural, financial and commercial departments, as well as the commodity price bureau, jointly issued a circular stating that in the future, seeds and grain will be separately purchased at negotiated prices. Quality seeds will be exempted from the practice of purchasing in advance on a contract basis. The competent departments will be solely responsible for the business through price negotiations, thereby replacing the old practice of exchanging grain for seeds. This simplifies procedures and promotes the cultivation of quality seeds.

QINGHAI ELIMINATES GRAIN, OIL COUPONS FOR XINING

HK281243 Xining Qinghai Provincial Service in Mandarin 1100 GMT 27 Jun 85

[Text] Beginning from 1 July, residents of Xining City will be able to purchase grain and oil at will throughout the city without any grain coupons. This includes consumer goods during festivals and newly introduced goods. Due to limited supply of food from the grain distribution stations, the food of industrial and commercial organizations, collective canteens, and vegetable growers will still be under the supply system of assigning special stations for a large area. The grain distribution stations are still responsible for supervising work such as relations concerning distribution of food and the amount of distribution.

QINGHAI ESTABLISHES PEASANT-WORKERS PARTY

HK281247 Xining Qinghai Provincial Service in Mandarin 1100 GMT 27 Jun 85

[Summary] Qinghai formally established the preparatory group of the province's Committee of Chinese Peasants' and Workers' Democratic Party in Xining yesterday afternoon. Fang Rongxin, vice chairman of Chinese Peasants' and Workers' Democratic Party Central Committee, attended the inaugural meeting. (Zhang Zurong), head of the preparatory group, introduced the work of the group. Liu Feng, deputy secretary of the provincial CPC Committee, delivered a speech. (Han Yingxian) and Fang Xin, vice chairmen of the provincial CPPCC, also made speeches. Responsible persons of democratic parties attended, including Xie Guofeng, Ma Wending, Fu Shichun and Liao Aiting.

YUNNAN CPC SESSION SCHEDULES PARTY CONGRESS

HK300147 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 29 Jun 85

[Text] The seventh plenary session of the Third Yunnan Provincial CPC Committee, which concluded this afternoon, decided that the fourth Yunnan provincial party congress will open in Kunming on 4 July 1985. The session opened on 24 June. Present were 85 members and 25 alternate members of the provincial CPC Committee, and 33 observers. Twenty-two persons were absent for reasons of business or illness.

The session seriously studied the speeches and instructions on work in Yunnan delivered by leading central comrades, and further enhanced understanding and unified thinking. In a solemn and responsible attitude, the participants discussed the provincial CPC Committee work report to be presented at the provincial party congress and agreed to submit it to the congress for examination. They discussed the lists of proposed candidates for members and alternate members of the fourth Yunnan Provincial CPC Committee, and members of the provincial Advisory and Discipline Inspection Commissions. They elected the delegates to attend the national congress of party members [quanquo dangyuan daibiao dahui], and adopted a resolution on convening the fourth provincial party congress.

This was a lively meeting. It was a meeting of unity, and a meeting for creating a new situation in the four modernizations in Yunnan.

MILITARY SPOKESMAN VIEWS U.S. ARMS SALES PLANS

OW281027 Taipei CNA in English 1015 GMT 28 Jun 85

[Text] Taipei, June 28 (CNA) -- A military spokesman said Friday at a news conference that the United States has routinely been selling arms to the Republic of China.

Military spokesman Gen. Chang Huei-yuan made the remarks in response to foreign wire service reports that the U.S. Defense Department plans to sell 262 Chaparral surface-to-air missiles plus launchers and vehicles to the Republic of China.

Gen. Chang declined to make any comment on the reports. He only said that U.S. arms sales to this country are "a matter of routine."

CHINA POST ON GUIDELINES FOR MAINLAND COVERAGE

OW290901 Taipei CHINA POST in English 26 Jun 85 p 4

[Commentary: "Does and Don'ts for Reports on Mainland China" by Chang Hsu-hua, dean of Chinese Culture at the University Graduate School of Journalism]

[Text] The CHINA POST will carry periodic commentaries on current issues by specialists from all walks of life beginning today. Their views may not necessarily reflect the standpoint of this newspaper. -- editor

The recent order for a seven-day suspension of publication of the MIN CHUNG DAILY NEWS headquartered in Kaohsiung and the government's hesitancy to set a policy governing indirect trade with mainland China, together with a flood of reports on mainland affairs appearing in local political and economic magazines over the past six months, have combined to trigger a call for the government to draw up a rational policy governing local news coverage in this area.

It is hoped that the policy will allow government institutions, press circles and the general public here to have a blueprint or guideline for conducting news reportage on mainland affairs and indirect trade with Peking to avoid unwittingly inflicting damages to the image of the Republic of China.

The government could at least put into consideration the following points before drawing up the policy.

First, the use of two-way communications rather than high-handed penalties. Take the case of the MIN CHUNG DAILY for instance. Some local journalists, scholars and readers hold the view that since even Homer dozes, the editors of MIN CHUNG did not make the error deliberately. They only mistake was to overplay a wire report on Red Chinese "Premier" Chao Tzu-yang's hackneyed imprecations against the two world superpowers -- the United States and the Soviet Union -- by putting the news as the banner headline of the front page.

This, according to concerned authorities, could be misinterpreted as "an echo to the Chinese Communist united front tactics" and thus the publication of the daily should be suspended for one week. The action played havoc with the nation's journalistic history, and has caused irredeemable loss to the newspaper and its readers.

A more rational way of handling the case would be to give the newspaper an opportunity to make corrections, apologies or self-examination for making an unwitting error. Even if the penalty is a must, it could start from a disciplinary warning before coming down to a harsh order for suspension of publication to avoid scaring press circles away from covering news on mainland China.



Such two-way co-munications in place of an overbearing penalty would help the ruling Kuomintang avoid being criticized.

Secondly, taking initiatives to provide information about mainland China as a step to curb rampant rumors. Concerned authorities may take initiatives to provide press circles with timely news together with analysis, commentary, criticism, photos, statistics and other useable materials to allow readers to gain a panoramic view of mainland affairs rather than scrambling after tips or unfounded rumors.

Thirdly, making available to the local public trade information on the mainland China. Through the years, the Republic of China's struggles against the Chinese Communist regime have grown from ideology and politics to trade and everyday life. The infighting for world markets waged from the two sides of the Taiwan Strait makes it imperative to provide local businessmen with information concerning mainland trade including counterfeiting of ROC electronic products and computer software as well as its labor-intensive and low-cost products in foreign markets and its policies governing indirect trade with Taiwan. Forewarnings would help local traders heighten vigils against making erroneous investments or violating smuggling laws.

Fourthly, to know the enemy and know ourselves will enable us to fight a hundred battles with no danger of defeat. As we engage ourselves in an ideological war against Peking, we should conduct regular reports within a tolerable extent to let the general public have an overall understanding of mainland affairs to prevent their going to extremes to either support the Taiwan independence movement or the Chinese Communists' tyrannical rule. Local reports on Communist tyranny and atrocities some 10 years ago when Vietnam eventually fell into the hands of the Viet Cong, triggered a sequel for local economic criminals to abscond with money to foreign countries as they had lost faith in the nation.

The younger generation, raised in Taiwan in the past 35 years, having witnessed a prosperous economy and stable society, finds it difficult to foster as deep an antagonistic sentiment against communism as their older kinsmen. Under such circumstances, only a straightforward report on Communist China will prove persuasive to them.

To remove doubts and to rein in profiteers and opportunists, we should draw up a specific and rational policy governing reports on mainland China to really serve the interests of the nation and the people.

WEN WEI PO URGES SINO-U.S. NUCLEAR COOPERATION

HK300544 Hong Kong WEN WEI PO Chinese 30 Jun 85 p 2

[Editorial: "Eliminate the Obstacles to Sino-U.S. Nuclear Energy Cooperation"]

[Text] On the eve of President Li Xiannian's visit to the United States, the United States sent a 6-person delegation headed by Richard Kennedy, ambassador-at-large, to Beijing to discuss the issue of nuclear energy cooperation. According to U.S. officials, great progress was made in the talks. However, China's XINHUA NEWS AGENCY merely said that they held "profitable talks."

News from Washington says: The United States and China may formally sign an agreement on nuclear energy cooperation when Li Xiannian visits the United States in July.

It is known to all that the United States is the one to be blamed for the delay in the formal signing of the nuclear energy cooperation agreement. In late April, 1984, when President Reagan visited China, he initialed the agreement on nuclear energy cooperation. However, the United States kept procrastinating on the presentation of the agreement to Congress for examination and approval. On 16 April this year, that means 14 months after Reagan's visit, the U.S. House of Representatives approved the amendment to the "export control regulations," thus making the examination and approval of the agreement on nuclear energy cooperation even more complicated and harsh. The new amendment empowers Congress to veto nuclear energy cooperation. In addition, it prolongs the examination time from 60 days to 90 days and makes hearings a must. According to the old regulations, Congress would have almost no other alternative but to approve the Sino-U.S. nuclear energy cooperation agreement which was presented to Congress for approval by the White House.

On the issue of transfer of advanced technology to China, because of the pressure put on the Coordinating Committee for Export Control by the United States, the latter has lifted its restrictions on the export of microcomputers to China. However, it has extended the embargo to the export of superconducting materials, robots, gas turbine technology, and computer software. This policy is in fact protectionism in the area of technology transfer.

This policy is not in the interest of U.S. development of its foreign trade. U.S. financial groups react to this differently. U.S. nuclear industry is experiencing a crisis of a rapidly shrinking market. In the next 10 years, if the United States can expand its nuclear energy market in China, its nuclear energy industry will be able to receive orders valued at about \$10 billion and to increase the number of its employees by 20,000 to 50,000. Thus, the industry hopes the White House will sign the Sino-U.S. agreement on nuclear energy cooperation as soon as possible. Ambassador Kennedy's visit to China indicates that in the United States, people are increasingly urging the signing of the agreement on nuclear energy cooperation.

Some congressmen are of the opinion that it is necessary to ask China to provide a written guarantee for U.S. supervision and control in order to prevent the transfer of nuclear technology to other countries. China is a member of IAEA and has consented to supervision. On many occasions, various Chinese leaders have openly announced that "China does not favor nuclear proliferation; it does not, and will not, help any non-nuclear country develop nuclear weapons."

Without the help of foreign nuclear technologies, China produced A-bombs long ago. China could have profierated military nuclear technology long ago. However, so far China has not transferred its nuclear weapons or technology to other countries. China advocates world peace and nuclear disarmament. That is its firm principle. If one has doubts as to whether or not China will proliferate nuclear technology, one is blind to the fact. In the United States, there are many far-sighted people.

They can, by staying away from protectionism, facilitate the development of Sino-U.S. relations. The United States should discard some outmoded political prejudices and eliminate obstacles to the transfer of technology. China and the United States are at different stages of technological and industrial development. Cooperation can only benefit the U.S. economy and world peace.

#### EDITORIAL VIEWS REDUCTION IN MILITARY STRENGTH

HK280315 Hong Kong HONG KONG STANDARD in English 28 Jun 85 p 10

[Editorial: "China Trims Off Its Defense Fat"]

[Text] China's military strength has traditionally depended heavily on its large manpower reserves. But it has long been known that the 4.2 million-strong People's Liberation Army has major weaknesses, including outdated weapons, aging generals, overstaffing, waste, lack of technical training and poorly paid conscripts. So no one should have been surprised when Deng Xiaoping, in his capacity as chairman of China's Central Military Commission, announced on June 4 that Beijing will cut the number of troops by one million men over the next two years.

It has been revealed since then that the PLA Logistics Department is to slash its staff by half as part of the Army's reduction drive.

For years, Chinese defence strategy revolved around the late Chairman Mao's dictum of a victorious "people's war." By such logic, even well-armed aggressors were no match for a guerilla fighter whose heart was ideologically pure. The notion had some basis in the long civil war that swept the communists to power in 1949, but it has since been overtaken by modern realities like the deployment of Soviet nuclear missiles along China's northern border.

As a result, the preoccupation with a people's war has given way to a three-tiered concept of positional, mobile and guerilla defense. An aggressor would have to fight past well-entrenched units, including artillery deployed on the high ground. If he broke through these lines, he would be hit by mobile reserves of armoured units and possibly paratroopers, though the Chinese Air Force has barely enough aircraft to drop two battalions of its three airborne divisions.

Finally, guerillas would harass the enemy. "If a war breaks out, we will mobilise the masses of people to swamp the enemy in the ocean of a people's war," said the PEOPLE'S DAILY. But it added that this concept "should be enriched under modern conditions."

The call for modernisation of the Army has ramifications in internal Chinese politics. Since the jump in Chinese outlays caused by the 1979 border war with Vietnam, Beijing has imposed a tight hold on the military budget, arguing that the civilian economy must come first. The Army, Navy and Air Force have been ordered to make deep manpower cuts and to redirect barracks, airfields and ports to civilian ends. At the same time, the Armed Forces' political influence has been sharply trimmed.

From its beginnings, the PLA was encouraged to think of itself as an ideological vanguard and its commanders have never been far from the pinnacle of power. Under Mr Deng, the generals have been told, in effect, to return to their bases and to concentrate on turning their echelons into a modern fighting force. To make its men (and women) more combat-ready, the PLA is also improving its training programmes, raising educational standards and trying to induct more urban youths. And it has also been announced that a system of formal military ranks will be instituted. China's leaders apparently no longer consider that the maintenance of ranks in the PLA is in conflict with the "class struggle."



We see nothing particularly threatening in all this, though China's smaller neighbours will no doubt be watching closely. No sensible modernisation programme could exclude the Armed Forces, and there is no doubt that the PLA was in danger of developing a unique combination of size and ineffectiveness. The acquisition of a smaller, more professional Army is a part of the great transition which is bringing into being a China of realism, modernity and moderation. It is a process which in the long term can bring greater stability and prosperity to the region.

PUBLIC SECURITY MINISTRY ON CRIMES IN BIG CITIES

HK301550 Hong Kong MING PAO in Chinese 29 Jun 85 p 5

["Special Dispatch From Beijing": "Notice From Ministry of Public Security Points Out Public Order in Big Cities Deteriorated, Foreigners Often Robbed"]

[Text] Since summer began, many serious crimes have been committed in some big cities in mainland China. The crimes include robbing foreigners, Overseas Chinese and compatriots from Hong Kong, Macao and Taiwan, as well as violating their personal safety, thereby causing a very bad impression.

In this regard, the Ministry of Public Security has received many complaints, and has attached great importance to the issue. Recently, the ministry has issued the "Circular on Resolutely Hitting at Crimes That Infringe on China's Foreigners, Overseas Chinese and Compatriots from Hong Kong, Macao and Taiwan." It urged the public security organs in various localities to relentlessly and seriously and punish promptly by law the evil-doers who commit serious crimes. It also urged them to publish sentences as a warning to others.

The circular said: Recently, many crimes have been committed in some big cities, including robbing foreigners, Overseas Chinese and compatriots from Hong Kong, Macao and Taiwan, as well as violating their personal safety, thereby damaging the state's reputation and posing a great threat to social security. Therefore, we must deal with the issue, seriously and promptly punish the criminals by law, and announce their sentences, to warn others and undo this bad impression.

The circular pointed out that in the new situation in which we invigorate the internal economy and implement both an open-door policy and economic structural reform, there will be still more new problems in social security. Therefore, public security organs must make a relentless effort to strengthen work in various areas. Now is the peak tourist season. Public security organs at various levels must strengthen their supervision of social security. They must strengthen patrol duty and take precautions to prevent criminals from creating disturbances which undermine the image of the state. The organs must seriously and promptly deal with serious crimes in accordance with the law, and resolutely check this unhealthy tendency.

The circular urged public security organs in various localities to emphasize cooperation with the political and legal departments and propaganda departments. In both the urban and rural areas, the organs should continue to propagate the legal system, educate people on sharing responsibility of maintaining a good social order, support and protect cadres and residents who dare to struggle against crime, and develop a good general mood in society of being ready to take up the cudgels for a just cause.

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